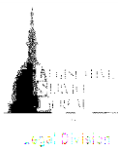


**SENATE SUBSTITUTE FOR  
HOUSE BILL NO. 4311**

A bill to create the lawful internet gaming act; to require licensure for persons to offer internet gaming; to impose requirements for internet gaming; to provide for the powers and duties of the Michigan gaming control board and other state and local officers and entities; to impose fees; to impose tax and other payment obligations on the conduct of licensed internet gaming; to create the internet gaming fund; to prohibit certain acts in relation to internet gaming and to prescribe penalties for those violations; to require the promulgation of rules; and to provide remedies.

**THE PEOPLE OF THE STATE OF MICHIGAN ENACT:**

- 1       Sec. 1. This act shall be known and may be cited as the  
2       "lawful internet gaming act".



1       Sec. 2. The legislature finds and declares all of the  
2 following:

3       (a) Operating, conducting, and offering for play internet  
4 games over the internet involves gaming activity that already  
5 occurs throughout this state illegally.

6       (b) This act is consistent and complies with the unlawful  
7 internet gambling enforcement act of 2006, 31 USC 5361 to 5367, and  
8 specifically authorizes use of the internet to place, receive, or  
9 otherwise knowingly transmit a bet or wager if that use complies  
10 with this act and rules promulgated under this act.

11       (c) This act is consistent and complies with the state  
12 constitution of 1963 by ensuring that the internet may be used to  
13 place wagers only on games of skill or chance that may be lawfully  
14 played in this state and that internet gaming is only conducted by  
15 persons who are lawfully operating casinos in this state.

16       (d) In order to protect residents of this state who wager on  
17 games of chance or skill through the internet and to capture  
18 revenues generated from internet gaming, it is in the best interest  
19 of this state and its citizens to regulate this activity by  
20 establishing a secure, responsible, fair, and legal system of  
21 internet gaming.

22       (e) The use of the internet to sell lottery games, including  
23 digital representations of lottery games and entertaining displays  
24 for revealing outcomes, continues to be permitted as a method for  
25 selling state lottery games. This act is not intended to prohibit  
26 sales described in this subdivision.

27       Sec. 3. As used in this act:

28       (a) "Adjusted gross receipts" means gross receipts less a  
29 deduction equal to the amount of free play provided and wagered by



1 authorized participants as an incentive to place or as a result of  
2 placing internet wagers under this act. The deduction under this  
3 subdivision is limited as follows:

4 (i) For years 1-3, a deduction not to exceed 10% of gross  
5 receipts.

6 (ii) For year 4, a deduction not to exceed 6% of gross  
7 receipts.

8 (iii) For year 5, a deduction not to exceed 4% of gross  
9 receipts.

10 (iv) For year 6 and each year thereafter, no deduction of free  
11 play is allowed. The January 1 following the year in which the  
12 internet gaming operator begins internet gaming operations is  
13 considered the first year of internet gaming for the purposes of  
14 this subdivision. An internet gaming operator may deduct up to 10%  
15 of gross receipts during any period of internet gaming operations  
16 before January 1 of the first year of internet gaming operations.

17 (b) "Affiliate" means a person that, directly or indirectly,  
18 through 1 or more intermediaries, controls or is controlled by an  
19 internet gaming operator.

20 (c) "Applicant" means a person that applies for a license or  
21 for registration under this act. As used in section 8, applicant  
22 includes an affiliate, director, or managerial employee of the  
23 applicant that performs the function of principal executive  
24 officer, principal operations officer, or principal accounting  
25 officer, or a person who holds more than 5% ownership interest in  
26 the applicant. As used in this subdivision, affiliate does not  
27 include a partnership, a joint venture, a co-shareholder of a  
28 corporation, a co-member of a limited liability company, or a co-  
29 partner in a limited liability partnership that has 5% or less



1 ownership interest in the applicant and is not involved in the  
2 internet gaming operation.

3 (d) "Authorized participant" means an individual who has a  
4 valid internet wagering account with an internet gaming operator  
5 and is 21 years of age or older.

6 (e) "Board" means the Michigan gaming control board created  
7 under section 4 of the Michigan Gaming Control and Revenue Act,  
8 1996 IL 1, MCL 432.204.

9 (f) "Casino" means a building or buildings in which gaming is  
10 lawfully conducted under the Michigan Gaming Control and Revenue  
11 Act, 1996 IL 1, MCL 432.201 to 432.226, or in which class III  
12 gaming is lawfully conducted by an Indian tribe in this state under  
13 a facility license issued in accordance with a tribal gaming  
14 ordinance approved by the chair of the National Indian Gaming  
15 Commission.

16 (g) "Class II gaming" means that term as defined in 25 USC  
17 2703.

18 (h) "Class III gaming" means that term as defined in 25 USC  
19 2703.

20 (i) "Compact" means a tribal-state compact governing the  
21 conduct of gaming activities that is negotiated under the Indian  
22 gaming regulatory act, Public Law 100-497, 102 Stat 2467.

23 (j) "Fantasy contest" means a simulated game or contest with  
24 an entry fee that meets all of the following conditions:

25 (i) No fantasy contest team is composed of the entire roster of  
26 a real world sports team.

27 (ii) No fantasy contest team is composed entirely of individual  
28 athletes who are members of the same real world sports team.

29 (iii) Each prize and award or the value of all prizes and awards



1 offered to winning fantasy contest players is made known to the  
2 fantasy contest players in advance of the fantasy contest.

3 (iv) Each winning outcome reflects the relative knowledge and  
4 skill of the fantasy contest players and are determined by the  
5 aggregated statistical results of the performance of multiple  
6 individual athletes selected by the fantasy contest player to form  
7 the fantasy contest team, whose individual performances in the  
8 fantasy contest directly correspond with the actual performance of  
9 those athletes in the athletic event in which those individual  
10 athletes participated.

11 (v) A winning outcome is not based on randomized or historical  
12 events, or on the score, point spread, or performance in an  
13 athletic event of a single real-world sports team, a single  
14 athlete, or any combination of real-world sports teams.

15 (vi) The fantasy contest does not constitute or involve and is  
16 not based on any of the following:

17 (A) Racing involving animals.

18 (B) A game or contest ordinarily offered by a horse track or  
19 casino for money, credit, or any representative of value, including  
20 any races, games, or contests involving horses, or that are played  
21 with cards or dice.

22 (C) A slot machine or other mechanical, electromechanical, or  
23 electric device, equipment, or machine, including computers and  
24 other cashless wagering systems.

25 (D) Any other game or device authorized by the board under the  
26 Michigan Gaming Control and Revenue Act, 1996 IL 1, MCL 432.201 to  
27 432.226.

28 (k) "Fund" means the internet gaming fund created under  
29 section 16.



(l) "Gross receipts" means the total of all sums, including, but not limited to, valid or invalid checks, valid or invalid credit or debit card deposits, valid or invalid ACH deposits, currency, coupons, free play or promotional credits, redeemable credits, vouchers, entry fees assessed for tournaments or other contests, or instruments of monetary value whether collected or uncollected, in each case actually wagered by an authorized participant at or with an internet gaming operator on an internet game, less all of the following:

(i) Winnings.

(ii) Amounts returned to an authorized participant due to a game, platform, or system malfunction or because the internet wager must be voided due to concerns regarding integrity of the wager or game.

(iii) Uncollectible markers or successfully disputed credit or debit card charges that were previously included in the computation of gross receipts.

(m) "Indian lands" means that term as defined in 25 USC 2703.

(n) "Indian tribe" means that term as defined in 25 USC 2703 and any instrumentality, political subdivision, or other legal entity through which an Indian tribe operates its casino in this state.

(o) "Institutional investor" means a person that is any of the following:

(i) A retirement fund administered by a public agency for the exclusive benefit of federal, state, or local public employees.

(ii) An employee benefit plan or pension fund that is subject to the employee retirement income security act of 1974, Public Law 93-406.



(iii) An investment company registered under the investment company act of 1940, 15 USC 80a-1 to 80a-64.

(iv) A collective investment trust organized by a bank under 12 CFR part 9.

(v) A closed end investment trust.

(vi) A chartered or licensed life insurance company or property and casualty insurance company.

(vii) A chartered or licensed financial institution.

(viii) An investment advisor registered under the investment advisers act of 1940, 15 USC 80b-1 to 80b-21.

(ix) Any other person that the board determines through rulemaking should be considered to be an institutional investor for reasons consistent with this act.

(p) "Internet" means the international computer network of interoperable packet-switched data networks, inclusive of such additional technological platforms as mobile, satellite, and other electronic distribution channels.

(q) "Internet game" means a game of skill or chance that is offered for play through the internet in which an individual wagers money or something of monetary value for the opportunity to win money or something of monetary value. Internet game includes gaming tournaments conducted via the internet in which individuals compete against one another in 1 or more of the games authorized by the board or in approved variations or composites as authorized by the board. Internet game does not include a social media internet game as that term is defined in section 310c of the Michigan penal code, 1931 PA 328, MCL 750.310c.

(r) "Internet gaming" means operating, conducting, or offering for play an internet game.



1 (s) "Internet gaming operator" means a person that is issued  
2 an internet gaming operator license from the board.

3 (t) "Internet gaming operator license" means a license issued  
4 by the board to a person to operate, conduct, or offer internet  
5 gaming.

6 (u) "Internet gaming platform" means an integrated system of  
7 hardware, software, applications, including mobile applications,  
8 and servers through which an internet gaming operator operates,  
9 conducts, or offers internet gaming.

10 (v) "Internet gaming platform provider" means an internet  
11 gaming supplier that contracts with an internet gaming operator to  
12 provide an internet gaming platform.

13 (w) "Internet gaming supplier" means a person that the board  
14 has identified under the rules promulgated by the board as  
15 requiring a license to provide internet gaming operators goods or  
16 services that directly affect wagering, play, and results of  
17 internet games offered under this act. Internet gaming supplier  
18 includes, but is not limited to, internet gaming platform  
19 providers.

20 (x) "Internet gaming supplier license" means a license issued  
21 by the board to an internet gaming supplier.

22 (y) "Internet wager" means money or something of monetary  
23 value risked on an internet game.

24 (z) "Internet wagering" means risking money or something of  
25 monetary value on an internet game.

26 (aa) "Internet wagering account" means an electronic ledger in  
27 which all of the following types of transactions relative to an  
28 authorized participant are recorded:

29 (i) Deposits and credits.





1 (ii) Withdrawals.

2 (iii) Internet wagers.

3 (iv) Monetary value of winnings.

4 (v) Service or other transaction-related charges authorized by  
5 the authorized participant, if any.

6 (vi) Adjustments to the account.

7 (bb) "Mobile application" means an application on a mobile  
8 phone or other device through which an individual is able to place  
9 an internet wager.

10 (cc) "Occupational license" means a license issued by the  
11 board to a person to perform an occupation that directly impacts  
12 the integrity of internet gaming and that the board has identified  
13 as requiring a license to perform the occupation.

14 (dd) "Person" means an individual, partnership, corporation,  
15 association, limited liability company, federally recognized Indian  
16 tribe, or other legal entity.

17 (ee) "Vendor" means a person that is not licensed under this  
18 act that supplies any goods or services to an internet gaming  
19 operator or internet gaming supplier.

20 (ff) "Winnings" means the total cash value of all property or  
21 sums including currency or instruments of monetary value paid to an  
22 authorized participant by an internet gaming operator as a direct  
23 result of a winning internet wager.

24 Sec. 4. (1) Internet gaming may be conducted only to the  
25 extent that it is conducted in accordance with this act.

26 (2) An internet wager received by an internet gaming operator  
27 or its internet gaming platform providers is considered to be  
28 gambling or gaming that is conducted in the internet gaming  
29 operator's casino located in this state, regardless of the



1 authorized participant's location at the time the participant  
2 initiates or otherwise places the internet wager.

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

5 (4) This act does not apply to any of the following:

6 (a) Lottery games offered by the bureau of lottery under the  
7 McCauley-Traxler-Bowman-McNeely lottery act, 1972 PA 239, MCL 432.1  
8 to 432.47.

9 (b) Class II and Class III gaming conducted exclusively on  
10 Indian lands by an Indian tribe under a facility license issued in  
11 accordance with a tribal gaming ordinance approved by the chair of  
12 the National Indian Gaming Commission. For purposes of this act,  
13 gaming is conducted exclusively on Indian lands only if the  
14 individual who places the wager is physically present on Indian  
15 lands when the wager is initiated and the wager is received or  
16 otherwise made on equipment that is physically located on Indian  
17 lands, and the wager is initiated, received, or otherwise made in  
18 conformity with the safe harbor requirements described in 31 USC  
19 5362(10)(C).

20 (c) A lawful fantasy contest.

21 (d) Any lawful internet sports betting.

22 (5) A person shall not provide or make available computers or  
23 other internet access devices in a place of public accommodation in  
24 this state, including a club or other association, to enable  
25 individuals to place internet wagers or play an internet game. The  
26 prohibition under this subsection does not apply to an internet  
27 gaming operator aggregating, providing, or making available  
28 computers or other internet access devices at its own casino.

29 (6) For purposes of this act, the intermediate routing of



1 electronic data in connection with internet wagering, including  
2 routing across state lines, does not determine the location or  
3 locations in which the internet wager is initiated, received, or  
4 otherwise made.

5 (7) An internet gaming operator may offer internet gaming  
6 under a maximum of 2 separate brands, 1 for each of interactive  
7 poker and other casino style games. This subsection does not  
8 prohibit an internet gaming operator from using fewer than 2 brands  
9 or from using a single brand to offer any combination of  
10 interactive poker or other casino style games. Only an internet  
11 gaming operator or its internet gaming platform providers may  
12 process, accept, or solicit internet wagers under this act. All  
13 websites and corresponding applications used to offer internet  
14 gaming must clearly display the brand of the internet gaming  
15 operator or its affiliate. The internet gaming operator may also  
16 elect, in its sole discretion, to have the brand of each internet  
17 gaming platform that it utilizes be the name and logos or no more  
18 than 1 internet gaming platform provider if the internet gaming  
19 platform also clearly displays the internet gaming operator's own  
20 trademarks and logos or those of an affiliate. The internet gaming  
21 operator is responsible for the conduct of its internet gaming  
22 platform provider.

23 Sec. 5. (1) The board has the powers and duties specified in  
24 this act and all other powers necessary to enable it to fully and  
25 effectively execute this act to administer, regulate, and enforce  
26 the system of internet gaming established under this act.

27 (2) The board has jurisdiction over every person licensed by  
28 the board and may take enforcement action against a person that is  
29 not licensed by the board that offers internet gaming in this



1 state.

2 Sec. 6. (1) The board may issue an internet gaming operator  
3 license only to an applicant that is either of the following:

4 (a) A person that holds a casino license under the Michigan  
5 Gaming Control and Revenue Act, 1996 IL 1, MCL 432.201 to 432.226.

6 (b) An Indian tribe that lawfully conducts class III gaming in  
7 a casino located in this state under a facility license issued in  
8 accordance with a tribal gaming ordinance approved by the chair of  
9 the National Indian Gaming Commission.

10 (2) The board shall issue an internet gaming operator license  
11 to an applicant described in subsection (1) after receiving the  
12 application described in subsection (4) or (5), as applicable, and  
13 the application fee, if the board determines that the internet  
14 gaming proposed by the applicant complies with this act and the  
15 applicant is otherwise eligible and suitable. An applicant is  
16 eligible if it meets the requirements set forth in subsection  
17 (1)(a) or (b). Each casino licensee described in subsection (1)(a)  
18 and each Indian tribe described in subsection (1)(b) is eligible  
19 for not more than 1 internet gaming operator license. It is the  
20 burden of the applicant to establish by clear and convincing  
21 evidence its suitability as to character, reputation, integrity,  
22 business probity, and financial ability. The application or  
23 enforcement of this subsection by the board must not be arbitrary,  
24 capricious, or contradictory to the express provisions of this act.  
25 In evaluating the eligibility and suitability of an applicant under  
26 the standards provided in this act, the board shall establish and  
27 apply the standards to each applicant in a consistent and uniform  
28 manner. In determining whether to grant an internet gaming operator  
29 license to an applicant, the board may request from the applicant



1 and consider as a factor in the determination any or all of the  
2 following information:

3 (a) Whether the applicant has adequate capitalization and the  
4 financial ability and the means to develop, construct, operate, and  
5 maintain the proposed internet gaming platform and to offer and  
6 conduct internet gaming in accordance with this act and the rules  
7 promulgated by the board.

8 (b) Whether the applicant has the financial ability to  
9 purchase and maintain adequate liability and casualty insurance and  
10 to provide an adequate surety bond.

11 (c) Whether the applicant has adequate capitalization and the  
12 financial ability to responsibly pay its secured and unsecured  
13 debts in accordance with its financing agreements and other  
14 contractual obligations.

15 (d) Whether the applicant has a history of material  
16 noncompliance with casino or casino-related licensing requirements  
17 or compacts with this state or any other jurisdiction, where the  
18 noncompliance resulted in enforcement action by the person with  
19 jurisdiction over the applicant.

20 (e) Whether the applicant has been indicted for, charged with,  
21 arrested for, or convicted of, pleaded guilty or nolo contendere  
22 to, forfeited bail concerning, or had expunged any criminal offense  
23 under the laws of any jurisdiction, either felony or misdemeanor,  
24 not including traffic violations, regardless of whether the offense  
25 has been expunged, pardoned, or reversed on appeal or otherwise.  
26 The board may consider mitigating factors, and, for an applicant  
27 described in subsection (1)(b), shall give deference to whether the  
28 applicant has otherwise met the requirements of the applicant's  
29 gaming compact for licensure, as applicable.



1 (f) Whether the applicant has filed, or had filed against it,  
2 a proceeding for bankruptcy or has ever been involved in any formal  
3 process to adjust, defer, suspend, or otherwise work out the  
4 payment of any debt.

5 (g) Whether the applicant has a history of material  
6 noncompliance with any regulatory requirements in this state or any  
7 other jurisdiction where the noncompliance resulted in an  
8 enforcement action by the regulatory agency with jurisdiction over  
9 the applicant.

10 (h) Whether at the time of application the applicant is a  
11 defendant in litigation involving the integrity of its business  
12 practices.

13 (3) An internet gaming operator license issued under this act  
14 is valid for the 5-year period after the date of issuance and, if  
15 the board determines that the internet gaming operator continues to  
16 meet the eligibility and suitability standards under this act, is  
17 renewable for additional 5-year periods.

18 (4) A person described in subsection (1)(a) may apply to the  
19 board for an internet gaming operator license to offer internet  
20 gaming as provided in this act. The application must be made on  
21 forms provided by the board and include the information required by  
22 the board.

23 (5) A person described in subsection (1)(b) may apply to the  
24 board for an internet gaming operator license to offer internet  
25 gaming as provided in this act. The application must be made on  
26 forms provided by the board that require only the following  
27 information:

28 (a) The name and location of any of the applicant's casinos.

29 (b) The tribal law, charter, or any other organizational



1 document of the applicant and other governing documents under which  
2 the applicant operates any of its casinos.

3 (c) Detailed information about the primary management  
4 officials of the applicant's casinos who will have management  
5 responsibility for the applicant's internet gaming operations. As  
6 used in this subdivision, "primary management official" does not  
7 include an elected or appointed representative of the applicant  
8 unless the representative is also a full-time employee of the  
9 applicant's internet gaming operations.

10 (d) The current facility license for the applicant's casinos.

11 (e) The applicant's current tribal gaming ordinance.

12 (f) The gaming history and experience of the applicant in the  
13 United States and other jurisdictions.

14 (g) Financial information, including copies of the last  
15 independent audit and management letter submitted by the applicant  
16 to the National Indian Gaming Commission under 25 USC 2710(b)(2)(C)  
17 and (D) and 25 CFR parts 271.12 and 271.13.

18 (h) The total number of gaming positions, including, but not  
19 limited to, electronic gaming devices and table games, at each of  
20 the applicant's casinos.

21 (6) An initial application for an internet gaming operator  
22 license must be accompanied by an application fee of \$50,000.00.  
23 The rules promulgated under section 10 may include provisions for  
24 the refund of an application fee, or the portion of an application  
25 fee that has not been expended by the board in processing the  
26 application, and the circumstances under which the fee will be  
27 refunded. The board may assess additional fees for the costs  
28 related to the licensure investigation.

29 (7) The board shall keep all information, records, interviews,



1 reports, statements, memoranda, or other data supplied to or used  
2 by the board in the course of its review or investigation of an  
3 application for an internet gaming operator license or renewal of  
4 an internet gaming operator license confidential. The materials  
5 described in this subsection are exempt from disclosure under  
6 section 13 of the freedom of information act, 1976 PA 442, MCL  
7 15.243.

8 (8) An application under this section must be submitted and  
9 considered in accordance with this act and any rules promulgated  
10 under this act.

11 (9) An internet gaming operator shall pay a license fee of  
12 \$100,000.00 to the board at the time the initial internet gaming  
13 operator license is issued and \$50,000.00 each year after the  
14 initial license is issued.

15 (10) The board shall deposit all application and license fees  
16 paid under this section into the fund.

17 (11) An institutional investor that holds for investment  
18 purposes only less than 25% of the equity of an applicant under  
19 this section is exempt from the licensure requirements of this act.

20 (12) An internet gaming operator shall not offer internet  
21 gaming until all of the following criteria are satisfied:

22 (a) The board has issued a license to at least 1 person under  
23 section 6(1)(a) and 1 person under section 6(1)(b).

24 (b) Either of the following is satisfied, whichever is first:

25 (i) The governor agrees to add online versions of authorized  
26 class III gaming games, including authorizing internet wagering on  
27 games described in this subparagraph, under the tribal-state  
28 compact for any tribe in this state whose tribal-state gaming  
29 compact requires agreement by the governor for the addition of each





1 new class III gaming game if those tribes request, within 60 days  
2 after the effective date of this act, an agreement under section  
3 3(B) of the tribe's tribal-state gaming compact.

4 (ii) One hundred fifty days have elapsed after the effective  
5 date of this act.

6 Sec. 7. (1) The board shall condition the issuance,  
7 maintenance, and renewal of an internet gaming operator license to  
8 a person described in section 6(1)(b) on the person's compliance  
9 with all of the following conditions:

10 (a) The person complies with this act, rules promulgated by  
11 the board, and minimum internal controls pertaining to all of the  
12 following:

13 (i) The types of and rules for playing internet games that  
14 internet gaming operators may offer under this act.

15 (ii) Technical standards, procedures, and requirements for the  
16 acceptance, by the person, of internet wagers initiated or  
17 otherwise made by individuals located in this state who are not  
18 physically present on the person's Indian lands in this state at  
19 the time the internet wager is initiated or otherwise made.

20 (iii) The requirements set forth in section 11.

21 (b) The person adopts and maintains technical standards for  
22 internet gaming platforms, systems, and software that are  
23 consistent with the standards adopted by the board under section  
24 10.

25 (c) The person maintains 1 or more mechanisms on the internet  
26 gaming platform that are designed to reasonably verify that an  
27 authorized participant is 21 years of age or older and that  
28 internet wagering is limited to transactions that are initiated and  
29 received or otherwise made by an authorized participant located in



1 this state.

2 (d) The person adopts and maintains responsible gaming  
3 measures consistent with those described in section 12.

4 (e) The person continues to maintain and operate in this state  
5 a casino offering class III gaming and the casino contains not less  
6 than 50% of the gaming positions that were in place on the  
7 effective date of this act.

8 (f) The person, within the time period described in section  
9 14(3), makes payments, to be allocated as outlined in section 15a,  
10 based on a graduated percentage schedule on the adjusted gross  
11 receipts received each calendar year by the person from all  
12 internet gaming it conducts under this act as an internet gaming  
13 operator, as set forth below:

14 (i) For adjusted gross receipts less than \$4,000,000.00, 20%.

15 (ii) For adjusted gross receipts of \$4,000,000.00 or more but  
16 less than \$8,000,000.00, 22%.

17 (iii) For adjusted gross receipts of \$8,000,000.00 or more but  
18 less than \$10,000,000.00, 24%.

19 (iv) For adjusted gross receipts of \$10,000,000.00 or more but  
20 less than \$12,000,000.00, 26%.

21 (v) For adjusted gross receipts of \$12,000,000.00 or more,  
22 28%.

23 (g) The person agrees to provide and timely provides, on  
24 written request of the board, books and records directly related to  
25 its internet gaming operations for the purpose of permitting the  
26 board to verify the calculation of the payments under subdivision  
27 (f).

28 (h) The person provides a waiver of sovereign immunity to the  
29 board for the sole and limited purpose of consenting to both of the



1 following:

2 (i) The jurisdiction of the board to the extent necessary and  
3 for the limited purpose of providing a mechanism for the board to  
4 do all of the following:

5 (A) Issue, renew, and revoke the person's internet gaming  
6 license.

7 (B) Enforce the payment obligations set forth in this section  
8 and section 14.

9 (C) Regulate the person under and enforce sections 10(a), (b),  
10 (d) to (g), 11, 12(4) and (5), 13, 19, and 21.

11 (D) Inspect the person's internet gaming operation and records  
12 to verify that the person is conducting its internet gaming  
13 operation in conformity with this act.

14 (E) Assess fines or monetary penalties for violations referred  
15 to in sub-subparagraph (C).

16 (F) Enforce the payment of internet gaming license fees  
17 described in section 6(9).

18 (ii) The jurisdiction of the courts of this state, and  
19 expressly waiving the exhaustion of tribal remedies, with the  
20 circuit court for Ingham County having exclusive jurisdiction, and  
21 any courts to which appeals from that court may be taken, to permit  
22 this state to enforce administrative orders of the board, the  
23 person's obligation to make payments required under subdivision  
24 (f), and collection of any judgment. Any monetary award under this  
25 subparagraph is deemed limited recourse obligations of the person  
26 and does not impair any trust or restricted income or assets of the  
27 person.

28 (2) This state, acting through the governor, at the request of  
29 any Indian tribe, is authorized to negotiate and conclude and



1 execute any amendments to an Indian tribe's compact necessary to  
2 effectuate internet gaming by the Indian tribe under this act and  
3 to ensure internet gaming conducted by the Indian tribe is in  
4 compliance with this act and any applicable federal laws. If the  
5 governor fails to enter into negotiations with the Indian tribe, or  
6 fails to negotiate in good faith with respect to the request, this  
7 state waives its sovereign immunity to permit the Indian tribe to  
8 initiate an action against the governor in his or her official  
9 capacity in either state court or in federal court and obtain those  
10 remedies as authorized in 25 USC 2710(d)(7).

11 (3) Notwithstanding anything in this act to the contrary, this  
12 act only regulates internet gaming as provided in this act and does  
13 not extend to the board, or any other agency of this state, any  
14 jurisdiction or regulatory authority over any aspect of any gaming  
15 operations of an Indian tribe described in section 4(4)(b) beyond  
16 those rights granted to this state under the compact with the  
17 Indian tribe.

18 Sec. 8. (1) The board may issue an internet gaming supplier  
19 license to an internet gaming supplier. A person that is not  
20 licensed under this section shall not provide goods, software, or  
21 services as an internet gaming supplier to an internet gaming  
22 operator.

23 (2) On application by an interested person, the board may  
24 issue a provisional internet gaming supplier license to an  
25 applicant for an internet gaming supplier license. A provisional  
26 license issued under this subsection allows the applicant for the  
27 internet gaming supplier license to conduct business with an  
28 internet gaming operator before the internet gaming supplier  
29 license is issued to the applicant. A provisional license issued



1 under this subsection expires on the date provided by the board.  
2 The board shall not issue a provisional internet gaming supplier  
3 license to an internet gaming platform provider under this  
4 subsection until board rules as described in section 10(b) are in  
5 effect.

6 (3) An internet gaming supplier license issued under  
7 subsection (1) is valid for the 5-year period after the date of  
8 issuance. An internet gaming supplier license is renewable after  
9 the initial 5-year period for additional 5-year periods if the  
10 board determines that the internet gaming supplier continues to  
11 meet the eligibility and suitability standards under this act.

12 (4) A person may apply to the board for an internet gaming  
13 supplier license as provided in this act and the rules promulgated  
14 under this act.

15 (5) Except as otherwise provided in this section, an  
16 application under this section must be made on forms provided by  
17 the board and include the information required by the board.

18 (6) An application under this section must be accompanied by a  
19 nonrefundable application fee in an amount to be determined by the  
20 board, not to exceed \$5,000.00. The board may assess additional  
21 fees for the cost related to the licensure investigation.

22 (7) The board shall keep all information, records, interviews,  
23 reports, statements, memoranda, or other data supplied to or used  
24 by the board in the course of its review or investigation of an  
25 application for an internet gaming supplier license or renewal of  
26 an internet gaming supplier license confidential. The materials  
27 described in this subsection are exempt from disclosure under  
28 section 13 of the freedom of information act, 1976 PA 442, MCL  
29 15.243.



1 (8) An internet gaming supplier shall pay a license fee of  
2 \$5,000.00 to the board at the time an initial internet gaming  
3 supplier license is issued to the internet gaming supplier and  
4 \$2,500.00 each year after the initial license is issued.

5 (9) The board shall deposit all application and license fees  
6 paid under this section into the fund.

7 (10) An institutional investor that holds for investment  
8 purposes only less than 25% of the equity of an applicant under  
9 this section is exempt from the licensure requirements of this act.

10 Sec. 9. (1) The board has jurisdiction over and shall  
11 supervise all internet gaming operations governed by this act. The  
12 board may do anything necessary or desirable to effectuate this  
13 act, including, but not limited to, all of the following:

14 (a) Develop qualifications, standards, and procedures for  
15 approval and licensure by the board of internet gaming operators  
16 and internet gaming suppliers.

17 (b) Decide promptly and in reasonable order all license  
18 applications and approve, deny, suspend, revoke, restrict, or  
19 refuse to renew internet gaming operator licenses and internet  
20 gaming supplier licenses. A party aggrieved by an action of the  
21 board denying, suspending, revoking, restricting, or refusing to  
22 renew a license may request a contested case hearing before the  
23 board under the administrative procedures act of 1969, 1969 PA 306,  
24 MCL 24.201 to 24.328. A request for hearing under this subdivision  
25 must be made to the board in writing within 21 days after service  
26 of notice of the action by the board.

27 (c) Conduct all hearings pertaining to violations of this act  
28 or rules promulgated under this act.

29 (d) Provide for the establishment and collection of all



1 applicable license fees, taxes, and payments imposed by this act  
2 and the rules promulgated under this act and the deposit of the  
3 applicable fees, taxes, and payments into the fund.

4 (e) Develop and enforce testing and auditing requirements for  
5 internet gaming platforms, internet wagering, and internet wagering  
6 accounts.

7 (f) Develop and enforce requirements for responsible gaming  
8 and player protection, including privacy and confidentiality  
9 standards and duties.

10 (g) Develop and enforce requirements for accepting internet  
11 wagers.

12 (h) Adopt by rule a code of conduct governing board employees  
13 that ensures, to the maximum extent possible, that persons subject  
14 to this act avoid situations, relationships, or associations that  
15 may represent or lead to an actual or perceived conflict of  
16 interest.

17 (i) Develop and administer civil fines for internet gaming  
18 operators and internet gaming suppliers that violate this act or  
19 the rules promulgated under this act.

20 (j) Audit and inspect books and records relevant to internet  
21 gaming operations, internet wagers, internet wagering accounts,  
22 internet games, or internet gaming platforms, including, but not  
23 limited to, the books and records regarding financing and  
24 accounting materials held by or in the custody of an internet  
25 gaming operator or internet gaming supplier.

26 (k) Acquire by lease or by purchase personal property,  
27 including, but not limited to, any of the following:

28 (i) Computer hardware.

29 (ii) Mechanical, electronic, and online equipment and



1 terminals.

2 (iii) Intangible property, including, but not limited to,  
3 computer programs, software, and systems.

4 (2) The board may investigate and may issue cease and desist  
5 orders and obtain injunctive relief against a person that is not  
6 licensed by the board that offers internet gaming in this state.

7 (3) The board shall keep all information, records, interviews,  
8 reports, statements, memoranda, and other data supplied to or used  
9 by the board in the course of any investigation of a person  
10 licensed under this act confidential. The materials described in  
11 this subsection are exempt from disclosure under section 13 of the  
12 freedom of information act, 1976 PA 442, MCL 15.243.

13 Sec. 10. The board shall promulgate rules pursuant to the  
14 administrative procedures act of 1969, 1969 PA 306, MCL 24.201 to  
15 24.328. The rules may include any necessary and proper to govern  
16 internet gaming, including, but not limited to, any of the  
17 following:

18 (a) The types of internet games to be offered, which must  
19 include, but need not be limited to, poker, blackjack, cards,  
20 slots, and other games typically offered at a casino, but does not  
21 include pick numbers or other lottery games typically offered by  
22 the bureau of lottery under the McCauley-Traxler-Law-Bowman-McNeely  
23 lottery act, 1972 PA 239, MCL 432.1 to 432.47.

24 (b) The qualifications, standards, and procedures for approval  
25 and licensure by the board for internet gaming operators and  
26 internet gaming suppliers consistent with this act.

27 (c) Requirements to ensure responsible gaming.

28 (d) Technical and financial standards for internet wagering,  
29 internet wagering accounts, and internet gaming platforms, systems,





1 and software or other electronic components integral to offering  
2 internet gaming.

3 (e) Procedures for a contested case hearing under this act  
4 consistent with the administrative procedures act of 1969, 1969 PA  
5 306, MCL 24.201 to 24.328.

6 (f) Requirements for occupational licensing.

7 (g) Requirements for vendors and vendor registration.

8 Sec. 11. (1) An internet gaming operator shall provide, or  
9 shall require its internet gaming platform provider to provide, 1  
10 or more mechanisms on the internet gaming platform that the  
11 internet gaming operator uses that are designed to reasonably  
12 verify that an authorized participant is 21 years of age or older  
13 and that internet wagering is limited to transactions that are  
14 initiated and received or otherwise made by an authorized  
15 participant located in this state.

16 (2) An individual who wishes to place an internet wager under  
17 this act must satisfy the verification requirements under  
18 subsection (1) before the individual may establish an internet  
19 wagering account or make an internet wager on an internet game  
20 offered by the internet gaming operator.

21 (3) An internet gaming operator shall include, or shall  
22 require its internet gaming platform provider to include,  
23 mechanisms on its internet gaming platform that are designed to  
24 detect and prevent the unauthorized use of internet wagering  
25 accounts and to detect and prevent fraud, money laundering, and  
26 collusion.

27 (4) An internet gaming operator, or its internet gaming  
28 platform provider, shall not knowingly authorize any of the  
29 following individuals to establish an internet wagering account or



1 knowingly allow them to wager on internet games offered by the  
2 internet gaming operator, except if required and authorized by the  
3 board for testing purposes or to otherwise fulfill the purposes of  
4 this act:

5 (a) An individual who is less than 21 years old.

6 (b) An individual whose name appears in the board's  
7 responsible gaming database.

8 (5) An internet gaming operator shall display, or shall  
9 require its internet gaming platform provider to display, in a  
10 clear, conspicuous, and accessible manner, evidence of the internet  
11 gaming operator's internet gaming license issued under this act.

12 Sec. 12. (1) The board may develop responsible gaming  
13 measures, including a statewide responsible gaming database  
14 identifying individuals who are prohibited from establishing an  
15 internet wagering account or participating in internet gaming  
16 offered by an internet gaming operator. The executive director of  
17 the board may place an individual's name in the responsible gaming  
18 database if any of the following apply:

19 (a) The individual has been convicted in any jurisdiction of a  
20 felony, a crime of moral turpitude, or a crime involving gaming.

21 (b) The individual has violated this act or another gaming-  
22 related law.

23 (c) The individual has performed an act or has a notorious or  
24 unsavory reputation such that the individual's participation in  
25 internet gaming under this act would adversely affect public  
26 confidence and trust in internet gaming.

27 (d) The individual's name is on a valid and current exclusion  
28 list maintained by this state or another jurisdiction in the United  
29 States.



1 (2) The board may promulgate rules for the establishment and  
2 maintenance of the responsible gaming database.

3 (3) An internet gaming operator, in a format specified by the  
4 board, may provide the board with names of individuals to be  
5 included in the responsible gaming database.

6 (4) An internet gaming operator or its internet gaming  
7 platform provider shall offer responsible gambling services and  
8 technical controls to authorized participants, consisting of both  
9 temporary and permanent self-exclusion for all internet games  
10 offered and the ability for authorized participants to establish  
11 their own periodic deposit and internet wagering limits and maximum  
12 playing times.

13 (5) An authorized participant may voluntarily prohibit himself  
14 or herself from establishing an internet wagering account with an  
15 internet gaming operator. The board may incorporate the voluntary  
16 self-exclusion list into the responsible gaming database and  
17 maintain both the self-exclusion list and the responsible gaming  
18 database in a confidential manner.

19 (6) The self-exclusion list and responsible gaming database  
20 established under this section and any information and records used  
21 by the board in the administration of the self-exclusion list and  
22 responsible gaming database are exempt from disclosure under  
23 section 13 of the freedom of information act, 1976 PA 442, MCL  
24 15.243.

25 Sec. 13. (1) A person shall not do any of the following:

26 (a) Offer internet gaming for play in this state if the person  
27 is not an internet gaming operator unless this act does not apply  
28 to the internet gaming under section 4(4).

29 (b) Knowingly make a false statement on an application for a



1 license to be issued under this act.

2 (c) Knowingly provide false testimony to the board or an  
3 authorized representative of the board while under oath.

4 (d) Willfully fail to report, pay, or truthfully account for  
5 any license fee, tax, or payment imposed by this act, or willfully  
6 attempt in any way to evade or defeat the license fee, tax, or  
7 payment.

8 (e) Knowingly, with the intent to cheat, alter, tamper with,  
9 or manipulate any game, platform, equipment, software, hardware,  
10 devices, or supplies used to conduct internet gaming, in order to  
11 alter the odds or the payout, or to disable the game, platform,  
12 equipment, software, hardware, devices, or supplies from operating  
13 in the manner authorized by the board, or knowingly, with the  
14 intent to cheat, offer or allow to be offered any game, platform,  
15 equipment, software, hardware, devices, or supplies that have been  
16 altered, tampered with, or manipulated in such a manner.

17 (f) Open, maintain, or use in any way an internet wagering  
18 account or make or attempt to make an internet wager if the  
19 individual is under the age of 21, or knowingly allow an individual  
20 under the age of 21 to open, maintain, or use in any way an  
21 internet wagering account or make or attempt to make an internet  
22 wager.

23 (g) Claim, collect, or take, or attempt to claim, collect, or  
24 take, money or anything of value from an internet gaming operator  
25 with the intent to defraud, or to claim, collect, or take an amount  
26 greater than the amount won.

27 (2) A person that violates subsection (1)(a) is guilty of a  
28 felony punishable by imprisonment for not more than 10 years or a  
29 fine of not more than \$100,000.00, or both.



1 (3) A person that violates subsection (1)(b) to (g) is guilty  
2 of a misdemeanor punishable by imprisonment for not more than 1  
3 year or a \$10,000.00 fine.

4 (4) The board may consider a person's violation of subsection  
5 (1) in determining whether to issue a license under this act to the  
6 person.

7 (5) The attorney general or a county prosecuting attorney may  
8 bring an action to prosecute a violation of subsection (1) in the  
9 county in which the violation occurred or in Ingham County.

10 Sec. 14. (1) Except for an internet gaming operator that is an  
11 Indian tribe, an internet gaming operator is subject to a graduated  
12 tax on the adjusted gross receipts received each calendar year by  
13 the internet gaming operator from all internet gaming it conducts  
14 under this act as set forth below:

15 (a) For adjusted gross receipts less than \$4,000,000.00, a tax  
16 of 20%.

17 (b) For adjusted gross receipts of \$4,000,000.00 or more but  
18 less than \$8,000,000.00, a tax of 22%.

19 (c) For adjusted gross receipts of \$8,000,000.00 or more but  
20 less than \$10,000,000.00, a tax of 24%.

21 (d) For adjusted gross receipts of \$10,000,000.00 or more but  
22 less than \$12,000,000.00, a tax of 26%.

23 (e) For adjusted gross receipts of \$12,000,000.00 or more,  
24 28%.

25 (2) An internet gaming operator that is an Indian tribe is  
26 subject to the payment requirements under section 7(1)(f).

27 (3) An internet gaming operator shall pay the tax or payment,  
28 as applicable, under subsection (1) or (2) on a monthly basis. The  
29 payment for each monthly accounting period is due on the tenth day



1 of the following month.

2 (4) Except as provided in this act and section 12(17) of the  
3 Michigan Gaming Control and Revenue Act, 1996 IL 1, MCL 432.212, an  
4 internet gaming operator is not subject to any excise tax, license  
5 tax, privilege tax, occupation tax, or other tax, payment, or fee  
6 imposed exclusively on an internet gaming operator or internet  
7 gaming operators by this state or any political subdivision of this  
8 state, except as provided in this act. This subsection does not  
9 impair the contractual rights under an existing development  
10 agreement between a city and an internet gaming operator that holds  
11 a casino license under the Michigan Gaming Control and Revenue Act,  
12 1996 IL 1, MCL 432.201 to 432.226.

13 (5) In addition to payment of the tax and other fees as  
14 provided in this act, and to any payment required pursuant to an  
15 existing development agreement described in subsection (4), if a  
16 city has imposed a municipal services fee equal to 1.25% on a  
17 casino licensee, the city shall charge a 1.25% fee on the adjusted  
18 gross receipts of an internet gaming operator that holds a casino  
19 license under the Michigan Gaming Control and Revenue Act, 1996 IL  
20 1, MCL 432.201 to 432.226, whose casino is in that city.

21 Sec. 15. (1) The tax imposed under section 14 must be  
22 allocated as follows:

23 (a) Thirty percent to the city in which the internet gaming  
24 operator licensee's casino is located, for use in connection with  
25 the following:

26 (i) The hiring, training, and deployment of street patrol  
27 officers in that city.

28 (ii) Neighborhood development programs designed to create jobs  
29 in that city with a focus on blighted neighborhoods.



1 (iii) Public safety programs such as emergency medical services,  
2 fire department programs, and street lighting in that city.

3 (iv) Anti-gang and youth development programs in that city.

4 (v) Other programs that are designed to contribute to the  
5 improvement of the quality of life in that city.

6 (vi) Relief to the taxpayers of the city from 1 or more taxes  
7 or fees imposed by the city.

8 (vii) The costs of capital improvements in that city.

9 (viii) Road repairs and improvements in that city.

10 (b) Sixty-five percent to this state to be deposited in the  
11 fund.

12 (c) Five percent to the Michigan agriculture equine industry  
13 development fund created under section 20 of the horse racing law  
14 of 1995, 1995 PA 279, MCL 431.320. However, if the 5% allocated  
15 under this subdivision to the Michigan agriculture equine industry  
16 development fund created under section 20 of the horse racing law  
17 of 1995, 1995 PA 279, MCL 431.320, exceeds \$3,000,000.00 in a  
18 fiscal year, the amount in excess of \$3,000,000.00 must be  
19 allocated and deposited in the fund created under section 16.

20 (2) By September 30, 2020 and each September 30 after that  
21 date, if the combined amount of money received in the preceding  
22 city fiscal year by the city in which the internet gaming  
23 operator's casino is located from money allocated under subsection  
24 (1)(a), from the wagering tax allocated under section 12 of the  
25 Michigan Gaming Control and Revenue Act, 1996 IL 1, MCL 432.212,  
26 from the wagering tax allocated under section 15 of the lawful  
27 sports betting act, and all payments received under existing  
28 development agreements with internet gaming operators, is less than  
29 \$183,000,000.00, the board shall distribute from the fund to the



1 city in which the internet gaming operator's casino is located an  
2 amount equal to the difference between \$183,000,000.00 and the  
3 combined amount of money the city in which the internet gaming  
4 operator's casino is located received in the preceding fiscal year  
5 from money allocated under subsection (1)(a), from the wagering tax  
6 allocated under section 12 of the Michigan Gaming Control and  
7 Revenue Act, 1996 IL 1, MCL 432.212, from the wagering tax  
8 allocated under section 15 of the lawful sports betting act, and  
9 all payments received by the city under existing development  
10 agreements with internet gaming operators. The calculations set  
11 forth in this subsection must not include any payments made under  
12 section 14(5) or any payments made under section 13(1) of the  
13 Michigan Gaming Control and Revenue Act, 1996 IL 1, MCL 432.213, or  
14 any payments made under section 14(5) of the lawful sports betting  
15 act. However, the total amount the city in which the internet  
16 gaming operator's casino is located receives for the preceding  
17 fiscal year under subsection (1)(a) and this subsection must not be  
18 more than 55% of the total received from the tax imposed under  
19 section 14 in the state fiscal year.

20 Sec. 15a. Any payments under section 7(1)(f) must be allocated  
21 as follows:

22 (a) Twenty percent to the governing body of the jurisdiction  
23 where the internet gaming operator's casino is located for its use  
24 in connection with the provision of governmental services.

25 (b) Seventy percent to this state to be deposited in the fund.

26 (c) Ten percent to the Michigan strategic fund created under  
27 section 5 of the Michigan strategic fund act, 1984 PA 270, MCL  
28 125.2005.

29 Sec. 16. (1) The internet gaming fund is created in the state





1 treasury.

2 (2) The state treasurer may receive money or other assets  
3 required to be paid into the fund under this act or from any other  
4 source for deposit into the fund. The state treasurer shall direct  
5 the investment of the fund. The state treasurer shall credit to the  
6 fund interest and earnings from fund investments.

7 (3) The board is the administrator of the fund for auditing  
8 purposes.

9 (4) Except as otherwise provided in section 15(2), the board  
10 shall expend money from the fund, on appropriation, for all of the  
11 following:

12 (a) The board's costs of regulating and enforcing internet  
13 gaming under this act.

14 (b) After the expenditure under subdivision (a), each year,  
15 \$500,000.00 to the compulsive gaming prevention fund created in  
16 section 3 of the compulsive gaming prevention act, 1997 PA 70, MCL  
17 432.253.

18 (c) After the expenditures under subdivisions (a) and (b),  
19 each year, \$2,000,000.00 to the first responder presumed coverage  
20 fund created in section 405 of the worker's disability compensation  
21 act of 1969, 1969 PA 317, MCL 418.405.

22 (d) All money remaining after expenditures under subdivisions  
23 (a), (b), and (c), to be deposited into the state school aid fund  
24 established under section 11 of article IX of the state  
25 constitution of 1963.

26 Sec. 17. This act does not authorize the construction or  
27 operation of a casino that was not constructed or operating before  
28 the effective date of this act.

29 Sec. 19. (1) An applicant must submit with its application, on



1 forms provided by the board, a photograph and 2 sets of  
2 fingerprints for each individual that is subject to licensure.

3 (2) An applicant and licensee shall consent to inspections,  
4 criminal history background checks, searches and seizures, and the  
5 providing of handwriting exemplars, fingerprints, photographs, and  
6 information as authorized in this act and in rules promulgated by  
7 the board.

8 (3) The board may collect fingerprints from, and conduct  
9 criminal history investigations on, a board employee or prospective  
10 board employee.

11 (4) The board may conduct criminal history investigations on  
12 applicants, licensees, board employees, prospective board  
13 employees, and other persons, including board agents and  
14 contractors working for or on behalf of the board, for the purpose  
15 of carrying out its statutory powers and responsibilities under  
16 this act and rules promulgated under this act.

17 (5) For the purpose of carrying out its statutory powers and  
18 responsibilities, the board shall require the persons identified in  
19 subsection (4) to submit his or her fingerprints for review by the  
20 department of state police and the Federal Bureau of Investigation  
21 for the criminal history record check, in the form and manner  
22 required by the department of state police and the Federal Bureau  
23 of Investigation to obtain any information currently or  
24 subsequently contained in the files of the department of state  
25 police or the Federal Bureau of Investigation. The department of  
26 state police shall provide all criminal history record checks  
27 requested by the board under this act and rules promulgated under  
28 this act. The department of state police may charge the board a fee  
29 for a criminal history record check required under this section.



1 The board shall not share the criminal history record check with a  
2 private entity.

3 (6) The department of state police shall store and retain all  
4 fingerprints submitted under this act in an automated fingerprint  
5 identification system that provides for an automatic notification  
6 if new criminal arrest information matches fingerprints previously  
7 submitted under this act. Upon the notification described in this  
8 subsection, the department of state police shall immediately notify  
9 the board. The fingerprints retained under this act may be searched  
10 against future fingerprint submissions, and any relevant results  
11 will be shared with the board.

12 (7) If the department of state police is able to participate  
13 in the Federal Bureau of Investigation's automatic notification  
14 system, all fingerprints submitted to the Federal Bureau of  
15 Investigation may be stored and retained by the Federal Bureau of  
16 Investigation in its automatic notification system. The automatic  
17 notification system provides for automatic notification if new  
18 criminal arrest information matches fingerprints previously  
19 submitted to the Federal Bureau of Investigation under this act. If  
20 the department of state police receives a notification from the  
21 Federal Bureau of Investigation under this act, the department of  
22 state police shall immediately notify the board.

23 Sec. 21. (1) An internet gaming operator shall provide to the  
24 board a monthly report regarding its internet gaming operations  
25 under this act to include all of the following by game category,  
26 including, but not limited to, internet slots, poker, and table  
27 games:

28 (a) Total amount of wagers received.

29 (b) Payouts.



1 (c) Free play redeemed.

2 (d) Deductions.

3 (e) Adjusted gross receipts.

4 (2) The board shall provide the report under subsection (1) to  
5 the department of treasury, the state budget office on request, and  
6 the house and senate fiscal agencies on request. In addition, the  
7 department of treasury and the state budget office may request  
8 additional information from the internet gaming operator, that is  
9 directly related to, and for the purposes of verification of, the  
10 financial data provided under subsection (1)(a) and (b), which must  
11 be provided within 60 days after the request. Any information  
12 provided under this section is confidential and proprietary and is  
13 exempt from disclosure under the freedom of information act, 1976  
14 PA 442, MCL 15.231 to 15.246.

15 Sec. 22. This act does not prohibit selling internet lottery  
16 games, including, but not limited to, digital representations of  
17 lottery games.

