

HOUSE BILL NO. 4307

March 07, 2019, Introduced by Rep. Iden and referred to the Committee on Regulatory Reform.

A bill to amend 1996 IL 1, entitled
"Michigan gaming control and revenue act,"
by amending sections 2, 4, 4a, 4c, 4d, 5, 6, 6a, 6c, 7a, 7c, 8, 9,
9a, 9b, 9c, 12, 12a, 14, 18, 21, and 25 (MCL 432.202, 432.204,
432.204a, 432.204c, 432.204d, 432.205, 432.206, 432.206a, 432.206c,
432.207a, 432.207c, 432.208, 432.209, 432.209a, 432.209b, 432.209c,
432.212, 432.212a, 432.214, 432.218, 432.221, and 432.225),
sections 2, 4, 5, 6, 8, 9, and 14 as amended and sections 4a, 4c,
4d, 6a, 6c, 7a, 7c, 9a, 9b, 9c, 12a, 18, 21, and 25 as added by



DAW



H01479'19

1997 PA 69 and section 12 as amended by 2004 PA 306; and to repeal acts and parts of acts.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 2. As used in this act:

2 (a) "Adjusted gross receipts" means the gross receipts less
3 winnings paid to wagerers.

4 (b) "Affiliate" means a person who, directly or indirectly,
5 through 1 or more intermediaries, controls ~~, is controlled by, or~~
6 ~~is under common control with; is in a partnership or joint venture~~
7 ~~relationship with; or is a co-shareholder of a corporation, a co-~~
8 ~~member of a limited liability company, or co-partner in a limited~~
9 ~~liability partnership with a person who holds or applies for a~~
10 casino ~~license~~ **licensee** under this act.

11 (c) "Affiliated company" means any form of business
12 organization ~~which~~ **that** controls, ~~is controlled by or is under~~
13 ~~common control with; is in a partnership or joint venture~~
14 ~~relationship with; or is a co-shareholder of a corporation, a co-~~
15 ~~member of a limited liability company, or co-partner in a limited~~
16 ~~liability partnership with a person who holds or applies for a~~
17 casino ~~license~~ **licensee** under this act.

18 (d) "Agent" means any person who is employed by any agency of
19 ~~the~~ **this** state, other than the board, the state police, or ~~the~~
20 **department of** attorney general, who is assigned to perform full-
21 time services on behalf of or for the benefit of the board
22 regardless of the title or position held by that person.

23 (e) "Applicant" means any person who applies for a license or
24 for registration under this act. ~~The term applicant~~ **As used in**
25 ~~sections 4a(1)(a), 5(1), 5(2), 5(3), 5(4), 6(3), 6(4), 6(5), 6(9),~~
26 ~~7a(4), 7a(5), and 7a(11) shall include~~ **5(1) to (4), 6(3) to (5) and**



1 (9), and 7a(4), (5), and (11), applicant includes an affiliate,
 2 affiliated company, ~~officer,~~ director, or managerial employee of
 3 the applicant **who performs the function of principal executive**
 4 **officer, principal operations officer, or principal accounting**
 5 **officer,** or a person who holds greater than ~~1%~~ **5%** direct or
 6 indirect interest in the applicant. As used in this subdivision,
 7 affiliate and affiliated company do not include a partnership, a
 8 joint venture relationship, a co-shareholder of a corporation, a
 9 co-member of a limited liability company, or a co-partner in a
 10 limited liability partnership that has ~~less than 1%~~ **a 5% or less**
 11 direct interest in the applicant and is not involved in the casino
 12 ~~or casino enterprise application~~ as defined in rules promulgated by
 13 the board.

14 (f) "Board" means the Michigan gaming control board **created**
 15 **under section 4.**

16 (g) "Casino" means a building **or buildings** in which gaming is
 17 conducted.

18 (h) "Casino enterprise" means the buildings, facilities, or
 19 rooms functionally or physically connected to a casino, including
 20 but not limited to any bar, restaurant, hotel, cocktail lounge,
 21 retail establishment, or arena or any other facility located in a
 22 city under the control of a casino licensee. ~~or affiliated company.~~

23 (i) "Certified development agreement" means a development
 24 agreement that has been certified by a city and submitted to the
 25 ~~Michigan gaming control board.~~

26 (j) "Chairperson" means the chairperson of the board.

27 (k) "Cheat" means to alter the selection of criteria ~~which~~
 28 **that** determine the result of a gambling game or the amount or
 29 frequency of payment in a gambling game, in violation of this act



1 or rules promulgated under this act.

2 (l) "City" means a local unit of government other than a county
3 ~~which~~**that** meets all of the following criteria:

4 (i) Has a population of at least 800,000 at the time a license
5 is issued.

6 (ii) Is located within 100 miles of any other state or country
7 in which gaming was permitted on December 5, 1996.

8 (iii) Had a majority of voters who expressed approval of casino
9 gaming in the city.

10 (m) "Company" means a sole proprietorship, corporation,
11 partnership, limited liability partnership, limited liability
12 company, trust, association, joint stock company, joint venture,
13 tribal corporation, or other form of business organization.

14 (n) "Compensation" means any money, thing of value, or
15 financial benefit conferred on or received by a person in return
16 for services rendered, or to be rendered, whether by that person or
17 another.

18 (o) "Conflict of interest" means a situation in which the
19 private interest of a member, employee or agent of the board may
20 influence the judgment of the member, employee, or agent in the
21 performance of his or her public duty under this act. A conflict of
22 interest includes, but is not limited to, **any of** the following:

23 (i) Any conduct that would lead a reasonable person, knowing
24 all of the circumstances, to conclude that the member, employee, or
25 agent of the board is biased against or in favor of an applicant.

26 (ii) Acceptance of any form of compensation other than from the
27 board for any services rendered as part of the official duties of
28 the member, employee, or agent for the board.

29 (iii) Participation in any business being transacted with or



1 before the board in which the member, employee, or agent of the
 2 board or his or her parent, spouse, or child has a financial
 3 interest.

4 (iv) Use of the position, title, or any related authority of
 5 the member, employee, or agent of the board in a manner designed
 6 for personal gain or benefit.

7 (v) Demonstration, through work or other action in the
 8 performance of the official duties of the member, employee, or
 9 agent of the board, of any preferential attitude or treatment of
 10 any person.

11 (p) "Control" means having a greater than 15% direct or
 12 indirect pecuniary interest in the casino gaming operation with
 13 respect to which the license is sought.

14 (q) "Department" means the department of treasury.

15 (r) "Development agreement" means a written agreement between
 16 a city and a person naming the person as the designated developer
 17 of a casino in the city and covering certain subjects including,
 18 but not limited to, ~~approval~~ **all of the following:**

19 (i) **Approval** by the city of the location of the casino. ~~+~~
 20 certification

21 (ii) **Certification** by the city that the applicant has
 22 sufficient financial resources to construct and open the casino
 23 ~~which that~~ it proposes to develop. ~~+~~ zoning

24 (iii) **Zoning** and site plan requirements. ~~+~~ utility

25 (iv) **Utility** connection fees. ~~+~~ infrastructure

26 (v) **Infrastructure** improvements. ~~+~~ requirements

27 (vi) **Requirements** to utilize local businesses and small
 28 businesses as suppliers. ~~+~~ employment



- 1 (vii) **Employment** issues. ~~7~~ ~~compulsive~~
 2 (viii) **Compulsive** gambling programs. ~~7~~ ~~insurance~~
 3 (ix) **Insurance** requirements. ~~7~~ ~~conceptual~~
 4 (x) **Conceptual** design approval. ~~7~~ ~~reimbursement~~
 5 (xi) **Reimbursement** for predevelopment and infrastructure costs,
 6 traffic engineering, and other transportation costs. ~~7~~ ~~plans~~
 7 (xii) **Plans** for completion of destination attractions either
 8 within or outside the casino facility and ancillary development
 9 rights.

10 (s) "Disciplinary action" ~~is~~ ~~means~~ an action by the board
 11 suspending or revoking a license ~~7~~ ~~or~~ fining, excluding,
 12 reprimanding, or otherwise penalizing a person for violating this
 13 act or rules promulgated by the board.

14 (t) "Ex parte communication" means any communication, direct
 15 or indirect, regarding a licensing application, disciplinary
 16 action, or a contested case under this act other than communication
 17 that takes place during a meeting or hearing conducted under this
 18 act.

19 (u) "Financial interest" or "financially interested" means any
 20 interest in investments, awarding of contracts, grants, loans,
 21 purchases, leases, sales, or similar matters under consideration or
 22 consummated by the board. A member, employee, or agent of the board
 23 ~~will be~~ ~~is~~ considered to have a financial interest in a matter
 24 under consideration if ~~any~~ ~~either~~ of the following circumstances
 25 exist: ~~exists~~:

26 (i) He or she owns 1% or more of any class of outstanding
 27 securities that are issued by a party to the matter under
 28 consideration or consummated by the board.

29 (ii) He or she is employed by or is an independent contractor



1 for a party to the matter under consideration or consummated by the
2 board.

3 (v) "Gambling game" means any game played with cards, dice,
4 equipment or a machine, including any mechanical, electromechanical
5 or electronic device ~~which shall include~~ **including** computers and
6 cashless wagering systems, for money, credit, or any representative
7 of value, including, but not limited to, faro, monte, roulette,
8 keno, bingo, fan tan, twenty one, blackjack, seven and a half,
9 klondike, craps, poker, chuck a luck, Chinese chuck a luck (dai
10 shu), wheel of fortune, chemin de fer, baccarat, pai gow, beat the
11 banker, panguingui, slot machine, any banking or percentage game,
12 or any other game or device approved by the board. ~~, but~~ **Gambling**
13 **game** does not include games played with cards in private homes or
14 residences in which no person makes money for operating the game,
15 except as a player.

16 (w) "Gambling operation" or **"casino gambling operation"** means
17 the conduct of ~~authorized~~ gambling games ~~in a casino.~~ **authorized by**
18 **the board.**

19 (x) "Gaming" or **"casino gaming"** means to deal, operate, carry
20 on, conduct, maintain or expose or offer for play any gambling game
21 or gambling operation.

22 (y) "Gross receipts" means the total of all ~~sums~~ **money**
23 including valid or invalid checks, currency, ~~tokens,~~ coupons,
24 vouchers, or instruments of monetary value whether collected or
25 uncollected, received by a casino licensee from gaming, including
26 all entry fees assessed for tournaments or other contests, less a
27 deduction for uncollectible gaming receivables not to exceed the
28 uncollectible amounts owed as a result of wagers placed at or
29 through a gambling game or 4% of the total gross receipts,



1 whichever is less. ~~The~~ **A** licensee shall not receive the deduction
 2 unless the licensee provides written proof to the state treasurer
 3 of the uncollected gaming receivables and ~~had~~ complied with all
 4 rules promulgated by the board regarding the issuance of credit and
 5 the collection of amounts due under a credit extension.

6 (z) "Institutional investor" means any retirement fund
 7 administered by a public agency for the exclusive benefit of
 8 federal, state, or local public employees, an employee benefit
 9 plan, or pension fund that is subject to the employee retirement
 10 income security act of 1974, as amended, an investment company
 11 registered under the investment company act of 1940, ~~title I of~~
 12 ~~chapter 686, 54 Stat. 789, 15 U.S.C. 80a-1 to 80a-3 and 80a-4 to~~ **15**
 13 **USC 80a-1 to** 80a-64, a collective investment trust organized by a
 14 bank under part 9 of the rules of the comptroller of the currency,
 15 a closed end investment trust, a chartered or licensed life
 16 insurance company or property and casualty insurance company, a
 17 chartered or licensed financial institution, an investment advisor
 18 registered under the investment advisers act of 1940, ~~title II of~~
 19 ~~chapter 686, 54 Stat. 847, 15 U.S.C. 80b-1 to 80b-21,~~ or any
 20 other person as **determined by** the board ~~may determine~~ for reasons
 21 consistent with this act.

22 (aa) "Investigative hearing" means any hearing conducted by
 23 the board or its authorized representative to investigate and
 24 gather information or evidence regarding pending license
 25 applications, applicants, licensees, or alleged or apparent
 26 violations of this act or rules promulgated by the board.

27 ~~(bb) "Junket enterprise" means any person other than a casino~~
 28 ~~licensee or applicant who employs or otherwise engages in the~~
 29 ~~procurement or referral of persons who may participate in a junket~~



1 ~~to a casino licensed under this act or casino enterprise whether or~~
 2 ~~not those activities occur within the state.~~

3 (bb) ~~(ee)~~ "Managerial employee" means a person who by virtue
 4 of the level of ~~their~~ **his or her** remuneration or otherwise holds a
 5 management, supervisory, or policy making position with any
 6 licensee under this act, a vendor, or the board.

7 (cc) ~~(dd)~~ "Member" means a board member appointed to the
 8 Michigan gaming control board under this act.

9 (dd) ~~(ee)~~ "Occupational license" means a license issued by the
 10 board to a person to perform **in a casino or a casino enterprise** an
 11 occupation ~~in a casino or casino enterprise which that directly~~
 12 **impacts the integrity of gaming and that** the board has identified
 13 as requiring a license to ~~engage in casino gaming in~~
 14 Michigan. **perform the occupation in a casino or casino enterprise in**
 15 **this state.**

16 (ee) ~~(ff)~~ "Person" means an individual, corporation, limited
 17 liability company, association, partnership, limited liability
 18 partnership, trust, ~~entity,~~ or other legal entity.

19 (ff) ~~(gg)~~ "Supplier" means a person who the board has
 20 identified under rules promulgated by the board as requiring a
 21 license to provide casino licensees ~~or casino enterprises~~ with
 22 goods or services regarding the ~~realty, construction, maintenance,~~
 23 ~~or~~ business of a proposed or existing casino ~~,~~ **or** casino enterprise
 24 ~~,~~ **or** related facility on a regular or continuing basis. ~~,~~
 25 ~~including, but not limited to, junket enterprises, security~~
 26 ~~businesses, manufacturers, distributors, persons who service gaming~~
 27 ~~devices or equipment, garbage haulers, maintenance companies, food~~
 28 ~~purveyors, and construction companies.~~

29 (gg) ~~(hh)~~ "Vendor" means a person who is not licensed under



1 this act who supplies any goods or services to a casino licensee or
2 supplier licensee.

3 (hh) ~~(ii)~~ "Wagerer" means a person who plays a gambling game
4 authorized under this act.

5 (ii) ~~(jj)~~ "Winnings" means the total cash value of all
6 property or ~~sums~~ **money** including currency, tokens, or instruments
7 of monetary value paid to wagerers as a direct result of wagers
8 placed at or through a gambling game.

9 Sec. 4. (1) The Michigan gaming control board is created
10 within the department of treasury. The board ~~shall have~~ **has** the
11 powers and duties specified in this act and all other powers
12 necessary and proper to fully and effectively execute and
13 administer this act for the purpose of licensing, regulating, and
14 enforcing the system of casino gambling established under this act.

15 (2) The board ~~shall consist~~ **consists** of 5 members, not more
16 than 3 of whom ~~shall may~~ be members of the same political party, to
17 be appointed by the governor with the advice and consent of the
18 senate. ~~1 of whom~~ **The governor** shall be designated by the
19 governor to be ~~designate~~ **1 of the members as** chairperson. Each
20 member ~~shall must~~ be a resident of this state.

21 (3) The members shall be appointed for terms of 4 years. ~~7~~
22 ~~except of those who are first appointed, 1 member shall be~~
23 ~~appointed for a term of 2 years, 2 members shall be appointed for a~~
24 ~~term of 3 years and 2 members shall be appointed for a term of 4~~
25 ~~years. A member's term shall expire~~ **expires** on December 31 of the
26 last year of the member's term. ~~In the event of~~ **If there is** a
27 vacancy on the board, the governor shall appoint in like manner a
28 successor to fill the unexpired term.

29 (4) Each member ~~of the board shall~~ **must** be reimbursed for all



1 actual and necessary expenses and disbursements incurred in the
2 execution of official duties. **Beginning January 1, 2023, each**
3 **member must receive compensation in the amount of \$1,000.00 for**
4 **each public board meeting that he or she attends. Beginning January**
5 **1, 2023, the chairperson must receive \$1,250.00 for each public**
6 **board meeting he or she attends, and must be reimbursed for all**
7 **actual and necessary expenses and disbursements.**

8 (5) A ~~board~~ member shall not hold any other public office for
9 which he or she ~~shall receive~~ **receives** compensation other than
10 necessary travel or other incidental expenses.

11 (6) A person who is not of good moral character or who has
12 been indicted or charged with, convicted of, pled guilty or nolo
13 ~~contendere~~ **contendere** to, or forfeited bail concerning a felony or a
14 misdemeanor involving gambling, theft, dishonesty, or fraud under
15 the laws of this state, any other state, or the United States or a
16 local ordinance in any state involving gambling, dishonesty, theft,
17 or fraud that substantially corresponds to a misdemeanor in that
18 state ~~shall~~ **must** not be appointed or remain as a member. ~~of the~~
19 ~~board.~~

20 (7) Any member ~~of the board~~ may be removed by the governor for
21 neglect of duty, misfeasance, malfeasance, nonfeasance, or any
22 other just cause.

23 (8) The governor shall appoint the executive director of the
24 board to serve a 6-year term. ~~After the effective date of the act~~
25 ~~that added this subsection, the~~ **The** appointment of the executive
26 director ~~shall require~~ **requires** the approval of the senate by a
27 record roll call vote. The executive director shall perform any and
28 all duties that the board ~~shall assign~~ **assigns to** him or her. The
29 executive director ~~shall~~ **must** be reimbursed for all actual and



1 necessary expenses incurred by him or her in discharge of his or
 2 her official duties. The executive director shall keep records of
 3 all proceedings of the board and shall preserve all records, books,
 4 documents, and other papers belonging to the board or entrusted to
 5 its care. The executive director shall devote his or her full time
 6 to the duties of the office and shall not hold any other office or
 7 employment. A vacancy in the position of executive director ~~shall~~
 8 **must** be filled as provided in this subsection for a new 6-year
 9 term.

10 (9) The board shall employ **the** personnel ~~as may be necessary~~
 11 to carry out the functions of the board under this act.

12 (10) ~~A~~ **The governor shall not appoint a person shall not be**
 13 ~~appointed to or employed by the board and~~ the board **shall not**
 14 **employ a person** if any of the following circumstances exist:

15 (a) During the ~~3 years~~ **1 year** immediately preceding
 16 appointment or employment, the person held any direct or indirect
 17 interest in, or any employment by, a person who is licensed to
 18 operate a casino under this act or in another jurisdiction, a
 19 person who had an application to operate a casino pending before
 20 the board or any other jurisdiction, or a casino enterprise.

21 However, the **board may employ the** person ~~may be employed by the~~
 22 ~~board~~ if his or her interest in any casino licensee or casino
 23 enterprise would not, in the opinion of the board, interfere with
 24 the objective discharge of the person's employment obligations.
 25 However, **the board shall not employ** a person ~~shall not be employed~~
 26 ~~by the board~~ if his or her interest in the casino licensee or
 27 casino enterprise constitutes a controlling interest in that casino
 28 licensee or casino enterprise.

29 (b) The person or his or her spouse, parent, child, child's



1 spouse, sibling, or spouse of a sibling is a member of the board of
 2 directors of or a person financially interested in any person
 3 licensed as a casino licensee or casino supplier, any person who
 4 has an application for a license pending before the board, or a
 5 casino enterprise.

6 (11) Each member, ~~of the board,~~ the executive director, and
 7 each ~~key~~ employee as determined by the board shall file with the
 8 governor a financial disclosure statement listing all assets and
 9 liabilities, property and business interests, and sources of income
 10 of the member, executive director, ~~and each key or~~ employee and ~~any~~
 11 ~~of their spouses~~ **his or her spouse, and** affirming that **the**
 12 **circumstances described in subsection (10) do not apply to** the
 13 member, executive director, ~~and key or~~ employee. ~~are in compliance~~
 14 ~~with subsection (10) (a) and (b) of this act.~~ The financial
 15 disclosure statement ~~shall~~ **must** be under oath and ~~shall~~ be filed at
 16 the time of employment and annually thereafter.

17 (12) Each employee of the board shall file with the board a
 18 financial disclosure statement listing all assets and liabilities,
 19 property and business interests, and sources of income of the
 20 employee and his or her spouse. This subsection does not apply to
 21 the executive director or a key employee.

22 (13) A member, ~~of the board,~~ executive director, or ~~key~~
 23 ~~employee~~ **board employee** shall not hold any direct or indirect
 24 interest in, be employed by, or enter into a contract for services
 25 with an applicant, ~~a person licensed by or registered with the~~
 26 ~~board, or a casino enterprise~~ **a casino licensee** for a period of ~~4~~
 27 ~~years~~ after the date his or her ~~membership on the board~~ **office or**
 28 **employment** terminates.

29 (14) An employee of the board shall not acquire any direct or



1 indirect interest in, be employed by, or enter into a contract for
 2 services with any applicant, person licensed by the board, or
 3 casino enterprise for a period of 2 years after the date his or her
 4 employment with the board is terminated.

5 (15) A ~~board member, or a person employed by the board~~
 6 **executive director, or board employee** shall not represent any
 7 person or party other than ~~the~~**this** state before or against the
 8 board for a period of 2 years after the termination of his or her
 9 office or employment with the board.

10 ~~(16) A business entity in which a former board member or~~
 11 ~~employee or agent has an interest, or any partner, officer, or~~
 12 ~~employee of the business entity shall not make any appearance or~~
 13 ~~representation that is prohibited to that former member, employee,~~
 14 ~~or agent. As used in this subsection, "business entity" means a~~
 15 ~~corporation, limited liability company, partnership, limited~~
 16 ~~liability partnership, association, trust, or other form of legal~~
 17 ~~entity.~~

18 (16) ~~(17)~~The board ~~shall have~~**has** general responsibility for
 19 the implementation of this act. The board's duties include, but are
 20 not limited to, all of the following:

21 (a) Deciding in a reasonable period of time all casino license
 22 applications. A casino license applicant ~~shall have~~**has** the burden
 23 to establish by clear and convincing evidence ~~their~~**its** suitability
 24 as to integrity, moral character, and reputation; personal and
 25 business probity; financial ability and experience; responsibility;
 26 and other criteria considered appropriate by the board. The
 27 criteria considered appropriate by the board ~~shall~~**must** not be
 28 arbitrary, capricious, or contradictory to the expressed provisions
 29 of this act.



1 (b) ~~To decide~~ **Deciding** in reasonable order all license
 2 applications. Except for casino license applicants granted a
 3 hearing under section 6(7), any party aggrieved by an action of the
 4 board denying, suspending, revoking, restricting, or refusing to
 5 renew a license, or imposing a fine, may request a hearing before
 6 the board. A request for a hearing ~~shall~~ **must** be made to the board
 7 in writing within 21 days after service of notice of the action of
 8 the board. Notice of the action of the board ~~shall~~ **must** be served
 9 either by personal delivery or by certified mail, postage prepaid,
 10 to the aggrieved party. Notice served by certified mail ~~shall be~~ **is**
 11 considered complete on the business day following the date of the
 12 mailing.

13 (c) Conducting its public meetings in compliance with the open
 14 meetings act, 1976 PA 267, MCL ~~15.231 to 15.246~~ **15.261 to 15.275**.

15 (d) Promulgating the rules ~~as may be~~ necessary to implement,
 16 administer, and enforce this act. ~~All~~ **The** rules promulgated under
 17 this act ~~shall~~ **must** not be arbitrary, capricious, or contradictory
 18 to the expressed provisions of this act. The rules may include, but
 19 need not be limited to, rules that do 1 or more of the following:

20 (i) Govern, restrict, approve, or regulate the casino gaming
 21 authorized in this act.

22 (ii) Promote the safety, security, and integrity of casino
 23 gaming authorized in this act.

24 (iii) License and regulate persons participating in or involved
 25 with casino gaming authorized in this act.

26 (e) Providing for the establishment and collection of all
 27 license and registration fees and taxes imposed by this act and the
 28 rules promulgated by the board.

29 (f) Providing for the levy and collection of penalties and



1 fines for the violation of this act and the rules promulgated by
2 the board.

3 (g) Being present through its inspectors, agents, auditors,
4 and the ~~Michigan department of~~ state police or ~~department of~~
5 attorney general at any time in any casino and related casino
6 enterprise for the purpose of certifying the revenue ~~thereof, of~~
7 **the licensee**, receiving complaints from the public, and conducting
8 other investigations into the conduct of the gambling games and the
9 maintenance of the equipment as ~~from time to time~~ the board ~~may~~
10 ~~consider~~ **considers** necessary and proper to assure compliance with
11 this act and the rules promulgated by the board and to protect and
12 promote the overall safety, security, and integrity of casino
13 gaming authorized in this act.

14 (h) Reviewing and ruling upon any complaint by a licensee
15 regarding any investigative procedures of ~~the this~~ state ~~which that~~
16 are unnecessarily disruptive of gambling operations. The need to
17 inspect and investigate ~~shall be~~ **is** presumed at all times. A
18 licensee ~~shall~~ **must** establish by clear and convincing evidence that
19 its operations were disrupted, the procedures had no reasonable law
20 enforcement or regulatory purposes, and the procedures were so
21 disruptive as to unreasonably inhibit gambling operations.

22 (i) Holding at least 1 public meeting each quarter of the
23 fiscal year. In addition, special meetings may be called by the
24 chairperson or any 2 ~~board~~ members upon 72 hours' written notice to
25 each member. Three members ~~of the board shall~~ constitute a quorum,
26 except ~~when that in~~ making determinations on applications for
27 casino licenses, ~~when~~ 4 members ~~shall~~ constitute a quorum. Three
28 votes ~~shall be~~ **are** required in support of final determinations of
29 the board on applications for casino licenses. The board shall keep



1 a complete and accurate record of all its meetings and hearings.
2 Upon order of the board, 1 of the board members or a hearing
3 officer designated by the board may conduct any hearing provided
4 for under this act or by the rules promulgated by the board and may
5 recommend findings and decisions to the board. The board member or
6 hearing officer conducting the hearing ~~shall have~~ **has** all powers
7 and rights regarding the conduct of hearings granted to the board
8 under this act. The record made at the time of the hearing ~~shall~~
9 **must** be reviewed by the board, or a majority of the board, and the
10 findings and decision of the majority of the board ~~shall constitute~~
11 the order of the board. ~~in the case.~~

12 (j) Maintaining records ~~which~~ **that** are separate and distinct
13 from the records of any other state board. The **board shall make the**
14 records ~~shall be~~ available for public inspection subject to the
15 limitations of this act, and ~~shall~~ **the records must** accurately
16 reflect all board proceedings.

17 (k) Reviewing the patterns of wagering and wins and losses by
18 persons in casinos under this act and ~~make~~ **making** recommendations
19 to the governor and the legislature in a written annual report to
20 the governor and the legislature and additional reports as
21 **requested by** the governor. ~~may request.~~ The annual report ~~shall~~
22 **must** include a statement of receipts and disbursements by the
23 board, actions taken by the board, and any additional information
24 and recommendations that the board considers appropriate or that
25 the governor ~~may request.~~ **requests.**

26 Sec. 4a. (1) The board ~~shall have~~ **has** jurisdiction over and
27 shall supervise all gambling operations governed by this act. The
28 board ~~shall have~~ **has** all powers necessary and proper to fully and
29 effectively execute this act, including, but not limited to, the



1 authority to do all of the following:

2 (a) Investigate applicants and determine the eligibility of
3 applicants for licenses or registration and to grant licenses to
4 applicants in accordance with this act and the rules promulgated
5 under this act.

6 (b) Have jurisdiction over and supervise casino gambling
7 operations authorized by this act and all persons in casinos where
8 gambling operations are conducted under this act.

9 (c) Enter through its investigators, agents, auditors, and the
10 ~~Michigan~~ **department of** state police at any time, without a warrant
11 and without notice to the licensee, the premises, offices, casinos,
12 casino enterprises, facilities, or other places of business of a
13 casino licensee or casino supplier licensee, where evidence of the
14 compliance or noncompliance with this act or rules promulgated by
15 the board is likely to be found, for the following purposes:

16 (i) To inspect and examine all premises ~~wherein~~ **where** casino
17 gaming or the business of gaming or the business of a supplier is
18 conducted, or where any records of the activities are prepared.

19 (ii) To inspect, examine, audit, impound, seize, or assume
20 physical control of, or summarily remove from the premises all
21 books, ledgers, documents, writings, photocopies, correspondence,
22 records, videotapes, including electronically stored records, money
23 receptacles, other containers and their contents, equipment in
24 which the records are stored, or other gaming related equipment and
25 supplies on or around the premises, including counting rooms.

26 (iii) To inspect the person, and inspect, examine, and seize
27 personal effects present in a casino facility licensed under this
28 act, of any holder of a license or registration issued ~~pursuant to~~
29 **under** this act while that person is present in a licensed casino



1 facility.

2 (iv) To investigate and deter alleged violations of this act or
3 the rules promulgated by the board.

4 (v) This section is not intended to limit warrantless
5 inspections except in accordance with constitutional requirements.

6 (d) Investigate alleged violations of this act or rules
7 promulgated by the board and to take appropriate disciplinary
8 action against a licensee or any other person, ~~or holder of an~~
9 ~~occupational license for a violation,~~ or institute appropriate
10 legal action for enforcement, or both.

11 (e) Adopt standards for the licensing of all persons under
12 this act, as well as for electronic or mechanical gambling games or
13 gambling games, and to establish fees for the licenses.

14 (f) Adopt appropriate standards for all casino gaming
15 facilities and equipment.

16 (g) Require that all records of casino and supplier licensees,
17 including financial or other statements, ~~shall~~ be kept on the
18 premises of the casino licensee or supplier licensee in the manner
19 prescribed by the board.

20 (h) Require that each casino licensee involved in the
21 ownership or management of gambling operations submit to the board
22 an annual balance sheet, profit and loss statement, and a list of
23 the stockholders or other persons having a ~~1%~~ **5%** or greater
24 beneficial interest in the gambling activities of ~~each~~ **the** licensee
25 in addition to any other information the board considers necessary
26 in order to effectively administer this act and all rules
27 promulgated by the board and orders and final decisions made under
28 this act.

29 (i) Conduct investigative and contested case hearings, issue



1 subpoenas for the attendance of witnesses and subpoenas duces tecum
 2 for the production of books, ledgers, records, memoranda,
 3 electronically retrievable data, and other pertinent documents and
 4 to administer oaths and affirmations to the witnesses to exercise
 5 and discharge the powers and duties of the board under this act.
 6 The executive director or his or her designee is also authorized to
 7 issue subpoenas and to administer oaths and affirmations to
 8 witnesses.

9 (j) Prescribe a form to be used by any licensee involved in
 10 the ownership or management of gambling operations as an
 11 application for employment for prospective employees.

12 (k) Revoke or suspend licenses, impose fines and penalties as
 13 the board considers necessary and in compliance with applicable
 14 laws of ~~the~~**this** state regarding administrative procedures, and
 15 review and decide applications for the renewal of licenses. The
 16 board may suspend a casino license, without notice or hearing upon
 17 a determination that the safety or health of patrons or employees
 18 is jeopardized by continuing a casino's operation. If the board
 19 suspends a license under this subdivision without notice or
 20 hearing, a prompt postsuspension hearing ~~shall~~**must** be held to
 21 determine if the suspension should remain in effect. The suspension
 22 may remain in effect until the board determines that the cause for
 23 suspension has been abated. The board may revoke the casino license
 24 upon a determination that the owner has not made satisfactory
 25 progress toward abating the hazard.

26 (l) In addition to a disassociated person, eject or exclude or
 27 authorize the ejection or exclusion of a person from a casino if
 28 the person violates this act, rules promulgated by the board, or **a**
 29 final ~~orders~~**order** of the board or ~~when~~**if** the board determines



1 that the person's conduct or reputation is such that his or her
 2 presence within the casino gambling facilities may compromise the
 3 honesty and integrity of the gambling operations or ~~interferes~~
 4 **interfere** with the orderly conduct of the gambling operations.
 5 However, the propriety of the ejection or exclusion is subject to a
 6 subsequent hearing by the board.

7 (m) Suspend, revoke, or restrict licenses and require the
 8 removal of a licensee or an employee of a licensee for a violation
 9 of this act or a rule promulgated by the board or for engaging in a
 10 fraudulent practice, and impose civil penalties of up to \$5,000.00
 11 against individuals and up to \$10,000.00 or an amount equal to the
 12 daily gross receipts, whichever is greater, against casino
 13 licensees for each violation of this act, any rules promulgated by
 14 the board, any order of the board, or for any other action ~~which~~
 15 **that** the board determines is a detriment or impediment to casino
 16 gambling operations.

17 (n) Disqualify a person under section 7c(5).

18 (o) In addition to the authority provided under subdivision
 19 (m), revoke or suspend a casino license or impose any other
 20 disciplinary action for ~~any~~ **either** of the following reasons:

21 ~~(i) The casino licensee has violated the Michigan liquor~~
 22 ~~control act, 1933 (Ex Sess) PA 8, MCL 436.1 to 436.57a, or rules~~
 23 ~~promulgated under that act.~~

24 (i) ~~(ii)~~ At any time the licensee no longer meets the
 25 eligibility requirements or suitability determination by the board
 26 for a casino license under this act.

27 (ii) ~~(iii)~~ The failure to revoke or suspend the license would
 28 undermine the public's confidence in the ~~Michigan~~ gaming industry
 29 **in this state.**



1 (p) Conduct periodic audits of casinos authorized under this
2 act.

3 (q) Establish minimum levels of insurance to be maintained by
4 licensees.

5 (r) Delegate the execution of any of its powers under this act
6 for the purpose of administering and enforcing this act and the
7 rules promulgated by the board. This subdivision does not apply to
8 the granting of casino licenses under section 6.

9 (s) Perform a background check, at the vendor's expense, of
10 any vendor using the same standards that the board uses in
11 determining whether to grant a supplier's license.

12 (t) Review the business practices of a casino licensee
13 including, but not limited to, the price and quality of goods and
14 services offered to patrons and take disciplinary action as the
15 board considers appropriate to prevent practices that undermine the
16 public's confidence in the ~~Michigan~~-gaming industry **in this state**.

17 **(u) Enter into agreements with other jurisdictions to**
18 **facilitate, administer, and regulate multijurisdictional gaming by**
19 **casino licensees if the gaming under the agreement is conducted**
20 **only in the United States.**

21 **(v)** ~~(u)~~ Review a licensee if that licensee is under review or
22 is otherwise subject to discipline by a regulatory body in any
23 other jurisdiction for a violation of a gambling law or regulation
24 in that jurisdiction.

25 **(w)** ~~(v)~~ Take any other action as may be reasonable or
26 appropriate to enforce this act and rules promulgated by the board.

27 (2) The board may seek and shall receive the cooperation and
28 assistance of the department of state police and department of
29 attorney general in conducting background investigations of



1 applicants and in fulfilling its responsibilities under this act.

2 Sec. 4c. (1) Except as otherwise provided in this section, all
3 information, records, interviews, reports, statements, memoranda,
4 or other data supplied to or used by the board ~~shall be~~**are** subject
5 to the freedom of information act, 1976 PA 442, MCL 15.231 to
6 15.246, except for the following:

7 (a) ~~Unless presented during a public hearing, all~~**All** the
8 information, records, interviews, reports, statements,
9 **correspondence**, memoranda, **documents**, or other data supplied to,
10 created by, or used by the board related to background
11 ~~investigation~~**investigations** of applicants or licensees ~~and to~~**or**
12 **involving** trade secrets, internal controls, ~~and~~**nonpublic financial**
13 **data, surveillance footage, or surveillance or** security measures of
14 the licensees or applicants, **or that the applicant, licensee, or**
15 **board designates as confidential.**

16 (b) All information, records, interviews, reports, statements,
17 memoranda, or other data supplied to or used by the board that have
18 been received from another jurisdiction or local, state, or federal
19 agency under a promise of confidentiality or if the release of the
20 information is otherwise barred by the statutes, rules, or
21 regulations of that jurisdiction or agency or by an
22 intergovernmental agreement.

23 (c) All information provided in an application for license
24 required under this act.

25 (d) **Any information that would disclose employment schedules,**
26 **travel schedules, vehicle information, or other information that**
27 **might endanger the physical safety of board employees, or**
28 **investigation information.**

29 (2) Notwithstanding subsection (1) (a) or (c), the board shall,



1 ~~upon~~**on** written request from any person, provide the following
 2 information concerning ~~the~~**an** applicant or licensee, his or her
 3 products, services or gambling enterprises, and his or her business
 4 holdings if the board has the information in its possession:

5 (a) The name, business address, and business telephone number.

6 (b) An identification of ~~any~~**the** applicant or licensee,
 7 including, if ~~an~~**the** applicant or licensee is not an individual,
 8 its state of incorporation or registration, its corporate officers,
 9 and the identity of its shareholders. If an applicant or licensee
 10 has a registration statement or a pending registration statement
 11 filed with the ~~securities and exchange commission,~~**Securities and**
 12 **Exchange Commission**, only the names of those persons or entities
 13 holding interest of 5% or more shall be provided.

14 ~~(c) An identification of any business, including, if~~
 15 ~~applicable, the state of incorporation or registration, in which an~~
 16 ~~applicant or licensee or an applicant's or licensee's spouse,~~
 17 ~~parent, or child has equity interest of more than 5%.~~

18 ~~(d) Whether an applicant or licensee has been indicted,~~
 19 ~~convicted, pleaded guilty or nolo contendere, or forfeited bail~~
 20 ~~concerning any criminal offense under the laws of any jurisdiction,~~
 21 ~~either felony or misdemeanor, not including traffic violations,~~
 22 ~~including the name and location of the court, the date, and~~
 23 ~~disposition of the offense.~~

24 ~~(e) Whether an applicant or licensee has had any license or~~
 25 ~~certification issued by a licensing authority in Michigan or any~~
 26 ~~other jurisdiction denied, restricted, suspended, revoked, or not~~
 27 ~~renewed and, if known by the board, a statement describing the~~
 28 ~~facts and circumstances concerning the denial, restriction,~~
 29 ~~suspension, revocation, or nonrenewal, including the name of the~~



1 ~~licensing authority, the date each action was taken, and the reason~~
 2 ~~for each action.~~

3 ~~(f) Whether an applicant or licensee has ever filed, or had~~
 4 ~~filed against it, a proceeding for bankruptcy or has ever been~~
 5 ~~involved in any formal process to adjust, defer, suspend, or~~
 6 ~~otherwise work out the payment of any debt, including the date of~~
 7 ~~filing, the name and location of the court, the case, and number of~~
 8 ~~the disposition.~~

9 ~~(g) Whether an applicant or licensee has filed, or been served~~
 10 ~~with, a complaint or other notice filed with any public body~~
 11 ~~regarding the delinquent payment of any tax required under federal,~~
 12 ~~state, or local law, including the amount of the tax, type of tax,~~
 13 ~~the taxing agency, and time periods involved.~~

14 ~~(h) A statement listing the names and titles of all public~~
 15 ~~officials or officers of any city, state, or federal body, agency,~~
 16 ~~or entity and relatives of the officials who, directly or~~
 17 ~~indirectly, own any financial interest in, have any beneficial~~
 18 ~~interest in, are the creditors of, or hold or have any other~~
 19 ~~interest in, or any contractual or service relationship with, an~~
 20 ~~applicant or licensee under this act.~~

21 ~~(i) Whether an applicant or licensee or the spouse, parent,~~
 22 ~~child, or spouse of a child of an applicant or licensee has made,~~
 23 ~~directly or indirectly, any political contributions, or any loans,~~
 24 ~~gifts, or other payments to any candidate as defined in section 7b~~
 25 ~~or officeholder elected in this state, within 5 years prior to the~~
 26 ~~date of filing the application, including the amount and the method~~
 27 ~~of payment or to a committee established under the Michigan~~
 28 ~~campaign finance act, 1976 PA 388, MCL 169.201 to 169.282.~~

29 ~~(c) (j) The name and business telephone number of any~~



1 attorney, counsel, lobbyist agent as **that term is** defined in
 2 section 5 of 1978 PA 472, MCL 4.415, or any other person
 3 representing ~~an-the~~ applicant or licensee in matters before the
 4 board.

5 (d) ~~(k)~~—A summary of the applicant's development agreement
 6 with the city, including the ~~applicant's~~ proposed location, the
 7 square footage of any proposed casino, the type of additional
 8 facilities, restaurants, or hotels proposed by the applicant, the
 9 expected economic benefit to the city, **the** anticipated or actual
 10 number of employees, any statement from the applicant regarding
 11 compliance with federal and state affirmative action guidelines,
 12 **the** projected or actual admissions, and **the** projected or actual
 13 adjusted gross receipts.

14 (e) ~~(l)~~—A description of the product or service to be supplied
 15 by, or occupation to be engaged in by, ~~a-the~~ licensee.

16 (3) Except as otherwise provided in this subsection, all
 17 information, records, interviews, reports, statements, memoranda,
 18 or other data provided in a response to a request for proposals for
 19 development agreements issued by ~~the-a~~ city and all draft
 20 development agreements being negotiated by the city ~~shall be~~ **are**
 21 exempt from disclosure under the freedom of information act, 1976
 22 PA 442, MCL 15.231 to 15.246, including but not limited to any of
 23 the following:

24 (a) ~~Unless presented during a public hearing, all~~ **All**
 25 **information**, records, interviews, reports, **correspondence**,
 26 statements, memoranda, **documents**, or other ~~information~~ **data**
 27 supplied to, created by, or used by the city related to background
 28 ~~investigation~~ **investigations** of applicants for a development
 29 agreement ~~and to~~ **or involving** trade secrets, internal controls, and



1 **nonpublic financial data, surveillance, or** security measures of the
2 licensees or applicants, **or that the applicant, licensee, or board**
3 **designates as confidential.**

4 (b) All records, interviews, reports, statements, memoranda,
5 or other information supplied to or used by the city that have been
6 received from another jurisdiction or local, state, or federal
7 agency under a promise of confidentiality or if the release of the
8 information is otherwise barred by the statutes, rules, or
9 regulations of that jurisdiction or agency or by an
10 intergovernmental agreement.

11 (c) All information provided in a response to a request for
12 proposals for development agreements.

13 (4) Notwithstanding subsection (3)(a) or (c), ~~the~~**a** city
14 shall, upon request, disclose the following information concerning
15 ~~the~~**a** response to a request for proposals for development
16 agreements:

17 (a) The name, business address, and business telephone number
18 of the person filing the response.

19 (b) An identification of ~~a~~**the** person filing ~~a~~**the** response,
20 including, if the person is not an individual, the state of
21 incorporation or registration, the corporate officers, and the
22 identity of all shareholders or participants. If ~~a~~**the** person
23 filing a response has a registration statement or a pending
24 registration statement filed with the ~~securities and exchange~~
25 ~~commission,~~**Securities and Exchange Commission**, the city shall only
26 provide the names of those persons or entities holding interest of
27 5% or more.

28 ~~(c) An identification of any business, including, if~~
29 ~~applicable, the state of incorporation or registration, in which a~~



1 ~~person filing a response or his or her spouse, parent, or child has~~
 2 ~~equity interest of more than 5%.~~

3 ~~(d) Whether a person filing a response has been indicted,~~
 4 ~~convicted, pleaded guilty or nolo contendere, or forfeited bail~~
 5 ~~concerning any criminal offense under the laws of any jurisdiction,~~
 6 ~~either felony or misdemeanor, not including traffic violations,~~
 7 ~~including the name and location of the court, the date, and~~
 8 ~~disposition of the offense.~~

9 ~~(e) Whether a person filing a response has had any license or~~
 10 ~~certification issued by a licensing authority in Michigan or any~~
 11 ~~other jurisdiction denied, restricted, suspended, revoked, or not~~
 12 ~~renewed and, if known by the city, a statement describing the facts~~
 13 ~~and circumstances concerning the denial, restriction, suspension,~~
 14 ~~revocation, or nonrenewal, including the name of the licensing~~
 15 ~~authority, the date each action was taken, and the reason for each~~
 16 ~~action.~~

17 ~~(f) Whether a person filing a response has ever filed, or had~~
 18 ~~filed against it, a proceeding for bankruptcy or has ever been~~
 19 ~~involved in any formal process to adjust, defer, suspend, or~~
 20 ~~otherwise work out the payment of any debt, including the date of~~
 21 ~~filing, the name and location of the court, the case, and number of~~
 22 ~~the disposition.~~

23 ~~(g) Whether a person filing a response has filed, or been~~
 24 ~~served with, a complaint or other notice filed with any public body~~
 25 ~~regarding the delinquency in the payment of any tax required under~~
 26 ~~federal, state, or local law, including the amount, type of tax,~~
 27 ~~the taxing agency, and time periods involved.~~

28 ~~(h) A statement listing the names and titles of all public~~
 29 ~~officials or officers of any city, state, or federal body, agency,~~



1 ~~or entity and relatives of the officials who, directly or~~
 2 ~~indirectly, own any financial interest in, have any beneficial~~
 3 ~~interest in, are the creditors of, or hold or have any interest in~~
 4 ~~or have any contractual or service relationship with, a person~~
 5 ~~filing a response.~~

6 ~~(i) Whether a person filing a response or the spouse, parent,~~
 7 ~~child, or spouse of a child of a person filing a response has made,~~
 8 ~~directly or indirectly, any political contributions, or any loans,~~
 9 ~~gifts, or other payments to any board member or any candidate as~~
 10 ~~defined in section 7b or officeholder elected in this state or to a~~
 11 ~~committee established under the Michigan campaign finance act, 1976~~
 12 ~~PA 388, MCL 169.201 to 169.282, within 5 years before the date of~~
 13 ~~filing the application, including the amount and the method of~~
 14 ~~payment.~~

15 ~~(c) (j)~~ The name and business telephone number of the counsel
 16 representing ~~a~~ **the** person filing a response.

17 ~~(d) (k)~~ A summary of the development agreement proposal with
 18 the city, including the ~~applicant's~~ proposed location, the square
 19 footage of ~~any~~ **the** proposed casino, the type of additional
 20 facilities, restaurants, or hotels proposed by the person filing a
 21 response, the expected economic benefit to the city, **the**
 22 anticipated or actual number of employees, any statement from the
 23 applicant regarding compliance with federal and state affirmative
 24 action guidelines, **the** projected or actual admissions, and **the**
 25 projected or actual adjusted gross receipts.

26 ~~(e) (l)~~ A description of the product or service to be supplied
 27 by, or occupation to be engaged in by, a person filing a response.

28 (5) Notwithstanding the provisions of this section, the board
 29 or ~~the~~ **a** city may cooperate with and provide all information,



1 records, interviews, reports, statements, memoranda, or other data
2 supplied to or used by the board to other jurisdictions or law
3 enforcement agencies.

4 Sec. 4d. (1) By January 31 of each year, each member of the
5 board shall prepare and file with the office of the board, a board
6 disclosure form in which the member does all of the following:

7 (a) Affirms that the member or the member's spouse, parent,
8 child, or child's spouse is not a member of the board of directors
9 of, financially interested in, or employed by a licensee or
10 applicant.

11 (b) Affirms that the member continues to meet any other
12 criteria for board membership under this act or the rules
13 promulgated by the board.

14 (c) Discloses any legal or beneficial interests in any real
15 property that is or that may be directly or indirectly involved
16 with gaming or gaming operations authorized by this act.

17 (d) Discloses any other information ~~as may be~~ required to
18 ensure that the integrity of the board and its work is maintained.

19 (2) By January 31 of each year, each employee of the board
20 shall prepare and file with the office of the board an employee
21 disclosure form in which the employee does all of the following:

22 (a) Affirms the absence of financial interests prohibited by
23 this act.

24 (b) Discloses any legal or beneficial interests in any real
25 property that is or that may be directly or indirectly involved
26 with gaming or gaming operations authorized by this act.

27 (c) Discloses whether the employee or the employee's spouse,
28 parent, child, or child's spouse is financially interested in or
29 employed by a supplier licensee or an applicant for a supplier's



1 license under this act.

2 (d) Discloses ~~such any~~ other matters ~~as may be~~ required to
3 ensure that the integrity of the board and its work is maintained.

4 (3) A member, employee, or agent of the board who becomes
5 aware that the member, employee, or agent of the board or his or
6 her spouse, parent, or child is a member of the board of directors
7 of, financially interested in, or employed by a licensee or an
8 applicant shall immediately provide detailed written notice ~~thereof~~
9 **of the membership, financial interest, or employment** to the
10 chairperson.

11 (4) A member, employee, or agent of the board who has been
12 indicted, charged with, convicted of, pled guilty or nolo ~~contendere~~
13 **contendere** to, or forfeited bail concerning a misdemeanor involving
14 gambling, dishonesty, theft, or fraud or a local ordinance in any
15 state involving gambling, dishonesty, theft, or fraud that
16 substantially corresponds to a misdemeanor in that state, or a
17 felony under Michigan law, the laws of any other state, or the laws
18 of the United States, or any other jurisdiction shall immediately
19 provide detailed written notice of the conviction or charge to the
20 chairperson.

21 (5) Any member, employee, or agent of the board who is
22 negotiating for, or acquires by any means, any interest in any
23 person who is a licensee or an applicant, or any person affiliated
24 with such a person, shall immediately provide written notice of the
25 details of the interest to the chairperson. The member, employee,
26 or agent of the board shall not act on behalf of the board with
27 respect to that person.

28 (6) A member, employee, or agent of the board may not enter
29 into any negotiations for employment with any person or affiliate



1 of any person who is a licensee or an applicant, and shall
2 immediately provide written notice of the details of any such
3 negotiations or discussions to the chairperson. The member,
4 employee, or agent of the board shall not take any action on behalf
5 of the board with respect to that person.

6 (7) Any member, employee, or agent of the board who receives
7 an invitation, written or oral, to initiate a discussion concerning
8 employment or the possibility of employment with a person or
9 affiliate of a person who is a licensee or an applicant shall
10 immediately report that he or she received the invitation to the
11 chairperson. The member, employee, or agent of the board shall not
12 take action on behalf of the board with respect to the person.

13 (8) A licensee or applicant shall not knowingly initiate a
14 negotiation for or discussion of employment with a member,
15 employee, or agent of the board. A licensee or applicant who
16 initiates a negotiation or discussion about employment shall
17 immediately provide written notice of the details of the
18 negotiation or discussion to the chairperson as soon as he or she
19 becomes aware that the negotiation or discussion has been initiated
20 with a member, employee, or agent of the board.

21 (9) A member, employee, or agent of the board, or former
22 member, employee, or agent of the board, shall not disseminate or
23 otherwise disclose any material or information in the possession of
24 the board that the board considers confidential unless specifically
25 authorized to do so by the chairperson or the board.

26 (10) A member, employee, or agent of the board or a parent,
27 spouse, sibling, spouse of a sibling, child, or spouse of a child
28 of a member, employee, or agent of the board may not accept any
29 gift, gratuity, compensation, travel, lodging, or anything of



1 value, directly or indirectly, from any licensee or any applicant
2 or affiliate or representative of an applicant or licensee, unless
3 the acceptance conforms to a written policy or directive that is
4 issued by the chairperson or the board. Any member, employee, or
5 agent of the board who is offered or receives any gift, gratuity,
6 compensation, travel, lodging, or anything of value, directly or
7 indirectly, from any licensee or any applicant or affiliate or
8 representative of an applicant or licensee shall immediately
9 provide written notification of the details to the chairperson.

10 (11) A licensee or applicant, or affiliate or representative
11 of an applicant or licensee, may not, directly or indirectly, give
12 or offer to give any gift, gratuity, compensation, travel, lodging,
13 or anything of value to any member, employee, or agent of the board
14 which the member, employee, or agent of the board is prohibited
15 from accepting under subsection (10).

16 (12) A member, employee, or agent of the board shall not
17 engage in any conduct that constitutes a conflict of interest, and
18 shall immediately advise the chairperson in writing of the details
19 of any incident or circumstances that would present the existence
20 of a conflict of interest with respect to the performance of the
21 board-related work or duty of the member, employee, or agent of the
22 board.

23 (13) A member, employee, or agent of the board who is
24 approached and offered a bribe in violation of section 118 of the
25 Michigan penal code, 1931 PA 328, MCL 750.118, or this act shall
26 immediately provide written account of the details of the incident
27 to the chairperson and to a law enforcement officer of a law
28 enforcement agency having jurisdiction.

29 (14) A member, employee, or agent of the board shall disclose



1 his or her past involvement with any casino interest in the past 5
2 years and shall not engage in political activity or politically
3 related activity during the duration of his or her appointment or
4 employment.

5 (15) A former member, employee, or agent of the board may
6 appear before the board as a fact witness about matters or actions
7 handled by the member, employee, or agent during his or her tenure
8 as a member, employee, or agent of the board. The member, employee,
9 or agent of the board shall not receive compensation for such an
10 appearance other than a standard witness fee and reimbursement for
11 travel expenses as established by statute or court rule.

12 (16) A licensee or applicant or any affiliate or
13 representative of an applicant or licensee shall not engage in ex
14 parte communications with a member of the board. A member of the
15 board shall not engage in any ex parte communications with a
16 licensee or an applicant or with any affiliate or representative of
17 an applicant or licensee.

18 (17) Any board member, licensee, or applicant or affiliate or
19 representative of a board member, licensee, or applicant who
20 receives any ex parte communication in violation of subsection
21 (16), or who is aware of an attempted communication in violation of
22 subsection (16), shall immediately report details of the
23 communication or attempted communication in writing to the
24 chairperson.

25 (18) Any member of the board who receives an ex parte
26 communication ~~which~~**that** attempts to influence that member's
27 official action shall disclose the source and content of the
28 communication to the chairperson. The chairperson may investigate
29 or initiate an investigation of the matter with the assistance of



1 the attorney general and **the department of** state police to
 2 determine if the communication violates subsection (16) or
 3 subsection (17) or other state law. The disclosure under this
 4 section and the investigation shall remain confidential. Following
 5 an investigation, the chairperson shall advise the governor or the
 6 board, or both, of the results of the investigation and may
 7 recommend action as the chairperson considers appropriate.

8 (19) A new or current employee or agent of the board shall
 9 obtain written permission from the executive director before
 10 continuing outside employment held at the time the employee begins
 11 to work for the board. ~~Permission~~**The executive director** shall ~~be~~
 12 ~~denied,~~**deny permission,** or **revoke** permission previously granted,
 13 ~~will be revoked,~~ if the nature of the work is considered to or ~~does~~
 14 ~~create~~**creates** a possible conflict of interest or otherwise
 15 interferes with the duties of the employee or agent for the board.

16 (20) An employee or agent of the board granted permission for
 17 outside employment shall not conduct any business or perform any
 18 activities, including solicitation, related to outside employment
 19 on premises used by the board or during the employee's working
 20 hours for the board.

21 (21) ~~Whenever~~**If** the chairperson, as an employee of the board,
 22 is required to file disclosure forms or report in writing the
 23 details of any incident or circumstance ~~pursuant to~~**under** this
 24 section, he or she shall ~~make such filings~~**file those disclosure**
 25 **forms** or written reports ~~to~~**with** the board.

26 (22) The chairperson shall report any action he or she has
 27 taken or contemplates taking under this section with respect to an
 28 employee or agent or former employee or former agent to the board
 29 at the next meeting of the board. The board may direct the



1 executive director to take additional or different action.

2 (23) Except as follows, ~~no~~**a** member, employee, or agent of the
3 board ~~may~~**shall not** participate in or wager on any gambling game
4 conducted by any licensee or applicant or any affiliate of an
5 applicant or licensee in ~~Michigan~~**this state** or in any other
6 jurisdiction:

7 (a) A member, employee, or agent of the board may participate
8 in and wager on a gambling game conducted by a licensee under this
9 act, to the extent authorized by the chairperson or board as part
10 of the person's surveillance, security, or other official duties
11 for the board.

12 (b) A member, employee, or agent of the board shall advise the
13 chairperson at least 24 hours in advance if he or she plans to be
14 present in a casino in this state or in another jurisdiction
15 operated by a licensee or applicant, or affiliate of a licensee or
16 an applicant, outside the scope of his or her official duties for
17 the board.

18 (24) Violation of this section by a licensee or applicant, or
19 affiliate or representative of a licensee or applicant, may result
20 in denial of the application of licensure or revocation or
21 suspension of license or other disciplinary action by the board.

22 (25) Violation of this section by a member of the board may
23 result in disqualification or constitute cause for removal under
24 section 4(7) or other disciplinary action as determined by the
25 board.

26 (26) A violation of this section by an employee or agent of
27 the board will not result in termination of employment if the board
28 determines that the conduct involved does not violate the purpose
29 of this act, or require other disciplinary action, including



1 termination of employment. However, employment will be terminated
2 as follows:

3 (a) If, after being offered employment or beginning employment
4 with the board, the employee or agent intentionally acquires a
5 financial interest in a licensee or an applicant, or affiliate or
6 representative of a licensee or applicant, employment with the
7 board ~~shall~~**must** be terminated.

8 (b) If a financial interest in a licensee or an applicant, or
9 affiliate or representative of a licensee or applicant, is acquired
10 by an employee or agent that has been offered employment with the
11 board, **or is** an employee of the board, ~~or the employee's or agent's~~
12 ~~spouse, parent, or child,~~ through no intentional action of the
13 employee or agent, the individual ~~shall have~~**has** up to 30 days to
14 divest or terminate the financial interest. Employment may be
15 terminated if the interest has not been divested after 30 days.

16 (c) Employment ~~shall~~**must** be terminated if the employee or
17 agent is a spouse, parent, child, or spouse of a child of a board
18 member.

19 (27) Violation of this section does not create a civil cause
20 of action.

21 (28) As used in this section:

22 (a) "Outside employment" includes, but is not limited to **any**
23 **of**, the following:

24 (i) Operation of a proprietorship.

25 (ii) Participation in a partnership or group business
26 enterprise.

27 (iii) Performance as a director or corporate officer of any for-
28 profit corporation or banking or credit institution.

29 (b) "Political activity" or "politically related activity"



1 includes all of the following:

2 (i) Using his or her official authority or influence for the
3 purpose of interfering with or affecting the result of an election.

4 (ii) Knowingly soliciting, accepting, or receiving a political
5 contribution from any person.

6 (iii) Running for the nomination or as a candidate for election
7 to a partisan political office.

8 (iv) Knowingly soliciting or discouraging the participation in
9 any political activity of any person who is either of the
10 following:

11 (A) Applying for any compensation, grant, contract, ruling,
12 license, permit, or certificate pending before the board.

13 (B) The subject of or a participant in an ongoing audit,
14 investigation, or enforcement action being carried out by the
15 board.

16 Sec. 5. (1) A person may apply to the board for a casino
17 license to conduct a ~~casino~~ gambling operation as provided in this
18 act. The application ~~shall~~**must** be made under oath on forms
19 provided by the board and ~~shall~~ contain information as prescribed
20 by the board, including but not limited to all of the following:

21 (a) The name, business address, business telephone number,
22 ~~social security~~**Social Security** number, and, where applicable, the
23 federal tax identification number of any applicant.

24 (b) The identity of every person having a greater than ~~1%~~**5%**
25 direct or indirect pecuniary interest in the applicant with respect
26 to which the license is sought. If the disclosed entity is a trust,
27 the application ~~shall~~**must** disclose the names and addresses of the
28 beneficiaries; if a corporation, the names and addresses of all
29 stockholders and directors; if a partnership, the names and



1 addresses of all partners, both general and limited; if a limited
2 liability company, the names and addresses of all members.

3 (c) An identification of any business, including, if
4 applicable, the state of incorporation or registration, in which an
5 applicant or an applicant's spouse, parent, or child has an equity
6 interest of more than 5%. If an applicant is a corporation,
7 partnership, or other business entity, the applicant shall identify
8 any other corporation, partnership, or other business entity in
9 which it has an equity interest of 5% or more, including, if
10 applicable, the state of incorporation or registration. An
11 applicant ~~can~~**may** comply with this subdivision by filing a copy of
12 the applicant's registration with the securities exchange
13 commission if the registration contains the information required by
14 this subdivision.

15 (d) Whether an applicant has been indicted **for**, charged **with**,
16 arrested **for**, **or** convicted **of**, pleaded guilty or nolo contendere
17 **to**, forfeited bail concerning, or had expunged any criminal offense
18 under the laws of any jurisdiction, either felony or misdemeanor,
19 not including traffic violations, regardless of whether the offense
20 has been expunged, pardoned, or reversed on appeal or otherwise,
21 including the date, the name and location of the court, arresting
22 agency and prosecuting agency, the case caption, the docket number,
23 the offense, the disposition, and the location and length of
24 incarceration.

25 (e) Whether an applicant has ever applied for or has been
26 granted any license or certificate issued by a licensing authority
27 in ~~Michigan~~**this state** or any other jurisdiction that has been
28 denied, restricted, suspended, revoked, or not renewed and a
29 statement describing the facts and circumstances concerning the



1 application, denial, restriction, suspension, revocation, or
 2 nonrenewal, including the licensing authority, the date each action
 3 was taken, and the reason for each action.

4 (f) Whether an applicant has ever filed or had filed against
 5 it a civil or administrative action or proceeding in bankruptcy or
 6 has ever been involved in any formal process to adjust, defer,
 7 suspend, or otherwise work out the payment of any debt including
 8 the date of filing, the name and location of the court, the case
 9 caption, the docket number, and the disposition.

10 (g) Whether an applicant has filed, or been served with, a
 11 complaint or other notice filed with any public body, regarding the
 12 delinquency in the payment of, or a dispute over the filings
 13 concerning the payment of, any tax required under federal, state,
 14 or local law, including the amount, type of tax, the taxing agency,
 15 and time periods involved.

16 ~~(h) A statement listing the names and titles of all public~~
 17 ~~officials or officers of any unit of government, and the spouses,~~
 18 ~~parents, and children of those public officials or officers who,~~
 19 ~~directly or indirectly, own any financial interest in, have any~~
 20 ~~beneficial interest in, are the creditors of or hold any debt~~
 21 ~~instrument issued by, or hold or have any interest in any~~
 22 ~~contractual or service relationship with, an applicant. As used in~~
 23 ~~this subdivision, public official or officer does not include a~~
 24 ~~person who would have to be listed solely because of his or her~~
 25 ~~state or federal military service.~~

26 ~~(i) Whether an applicant or the spouse, parent, child, or~~
 27 ~~spouse of a child of an applicant has made, directly or indirectly,~~
 28 ~~any political contribution, or any loans, donations, or other~~
 29 ~~payments to any candidate as defined in section 7b or officeholder~~



1 ~~elected in this state or to a committee established under the~~
 2 ~~Michigan campaign finance act, 1976 PA 388, MCL 169.201 to 169.282,~~
 3 ~~within 5 years from the date of the filing of the application,~~
 4 ~~including the identity of the board member, candidate, or~~
 5 ~~officeholder, the date, the amount, and the method of payment.~~

6 (h) ~~(j)~~—The name and business telephone number of any
 7 attorney, counsel, lobbyist agent as **that term is** defined in
 8 section 5 of 1978 PA 472, MCL 4.415, or any other person
 9 representing an applicant in matters before the board.

10 (i) ~~(k)~~—A description of any proposed or approved casino
 11 gaming operation and related casino enterprises, including the
 12 economic benefit to the community, anticipated or actual number of
 13 employees, any statement from an applicant regarding compliance
 14 with federal and state affirmative action guidelines, projected or
 15 actual admissions, projected or actual gross receipts, and
 16 scientific market research.

17 (j) ~~(l)~~—Financial information in the manner and form prescribed
 18 by the board.

19 (2) Information provided on the application ~~shall~~**must** be used
 20 as a basis for a thorough background investigation ~~which~~**that** the
 21 board shall conduct on each applicant. A false or incomplete
 22 application is cause for denial of a license by the board.

23 (3) Applicants ~~shall~~**must** submit with their application all
 24 required development agreements and documents, certifications,
 25 resolutions, and letters of support from the governing body that
 26 represents the municipality in which the applicant proposes to
 27 operate a casino.

28 (4) Applicants ~~shall~~**must** consent in writing to being subject
 29 to the inspections, searches, and seizures provided for in section



1 4a(1)(c)(i) to (v) and to disclosure to the board and its agents of
 2 otherwise confidential records, including tax records held by any
 3 federal, state, or local agency, or credit bureau or financial
 4 institution, while applying for or holding a license under this
 5 act.

6 (5) A nonrefundable application fee of \$50,000.00 ~~shall~~**must**
 7 be paid at the time of filing to defray the costs associated with
 8 the background investigation conducted by the board. If the costs
 9 of the investigation exceed \$50,000.00, the applicant shall pay the
 10 additional amount to the board. All information, records,
 11 interviews, reports, statements, memoranda, or other data supplied
 12 to or used by the board in the course of its review or
 13 investigation of an application for a license under this act ~~shall~~
 14 **must** only be disclosed in accordance with this act. The
 15 information, records, interviews, reports, statements, memoranda,
 16 or other data ~~shall~~**are** not ~~be~~ admissible as evidence, nor
 17 discoverable in any action of any kind in any court or before any
 18 tribunal, board, agency, or person, except for any action
 19 considered necessary by the board.

20 Sec. 6. (1) The board shall issue a casino license to a person
 21 who applies for a license, who pays the nonrefundable application
 22 fee required under section 5(5) and a \$25,000.00 license fee for
 23 the first year of operation, and who the board determines is
 24 eligible and suitable to receive a casino license under this act
 25 and the rules promulgated by the board. It is the burden of the
 26 applicant to establish by clear and convincing evidence its
 27 suitability as to character, reputation, integrity, business
 28 probity, experience, and ability, financial ability and
 29 responsibility, and other criteria ~~as may be~~ considered appropriate



1 by the board. The criteria considered appropriate by the board
 2 ~~shall~~**must** not be arbitrary, capricious, or contradictory to the
 3 expressed provisions of this act. A person is eligible to apply for
 4 a casino license if all of the following criteria are met:

5 (a) The applicant proposes to locate the casino in a city
 6 where the local legislative body enacted an ordinance approving
 7 casino gaming that may include local ordinances governing casino
 8 operations, occupational licensees, and suppliers ~~which~~**that** are
 9 consistent with this act and rules promulgated by the board.

10 (b) The applicant entered into a certified development
 11 agreement with the city where the local legislative body enacted an
 12 ordinance approving casino gaming.

13 (c) The applicant or its affiliates or affiliated companies
 14 has a history of, or a bona fide plan for, either investment or
 15 community involvement in the city where the casino will be located.

16 (2) A city shall not certify or submit and have pending before
 17 the board more than 3 certified development agreements. If an
 18 applicant is denied a casino license by the board, the city may
 19 then certify a development agreement with another applicant and
 20 submit the certified development agreement to the board. Nothing in
 21 this act ~~shall be construed to prevent~~**prevents** the city from
 22 entering into more than 3 development agreements.

23 (3) ~~No~~**The board shall not issue** more than ~~three~~**(3)**~~3~~
 24 licenses ~~shall be issued by the board in any city. A~~**The board**
 25 **shall not issue a** license ~~shall not be issued~~ for a casino to be
 26 located on land held in trust by the United States for a federally
 27 recognized Indian tribe. In evaluating the eligibility and
 28 suitability of all applicants under the standards provided in this
 29 act, the board shall establish and apply the standards to all



1 applicants in a consistent and uniform manner. ~~In the event that~~ **If**
2 more than ~~three (3)~~ **3** applicants meet the standards for eligibility
3 and suitability provided for in subsections (4) and (5), **the board**
4 **shall first issue** licenses ~~shall first be issued to~~ those eligible
5 and suitable applicants ~~which~~ **that** submitted any casino gaming
6 proposal for voter approval ~~prior to~~ **before** January 1, 1995, in the
7 city in which the casino will be located and the voters approved
8 the proposal.

9 (4) An applicant is ineligible to receive a casino license if
10 any of the following circumstances exist:

11 (a) The applicant has been convicted of a felony under the
12 laws of this state, any other state, or the United States. **However,**
13 **the board may waive the requirements under this subdivision if the**
14 **conviction occurred more than 10 years before the applicant applies**
15 **for a license under this section and the board is convinced of both**
16 **of the following:**

17 (i) **That the applicant does not pose a threat to the integrity**
18 **of gaming.**

19 (ii) **That the applicant otherwise meets the requirements of**
20 **this section.**

21 (b) The applicant has been convicted of a misdemeanor
22 involving gambling, theft, dishonesty, or fraud in any state or a
23 local ordinance in any state involving gambling, dishonesty, theft,
24 or fraud that substantially corresponds to a misdemeanor in that
25 state. **However, the board may waive the requirements under this**
26 **subdivision if the conviction occurred more than 5 years before the**
27 **applicant applies for a license under this section and the board is**
28 **convinced of both of the following:**

29 (i) **That the applicant does not pose a threat to the integrity**



1 of gaming.

2 (ii) That the applicant otherwise meets the requirements of
3 this section.

4 (c) The applicant has submitted an application for a license
5 under this act that contains false information.

6 (d) The applicant is a member of the board.

7 (e) The applicant fails to demonstrate the applicant's ability
8 to maintain adequate liability and casualty insurance for its
9 proposed casino.

10 (f) The applicant holds an elective office ~~of a governmental~~
11 ~~unit of this state, another state, or the federal government, or is~~
12 ~~a member of or in the city or county where the casino is located,~~
13 **state elective office, or federal elective office, or is** employed
14 by a **city or county where the casino is located or by a** gaming
15 regulatory body of a governmental unit in this state, another
16 state, or the federal government. ~~, or is employed by a~~
17 ~~governmental unit of this state.~~ This section does not apply to an
18 elected officer of or **an** employee of a federally recognized Indian
19 tribe or to an elected precinct delegate. **As used in this**
20 **subdivision, "state elective office" means that term as defined in**
21 **section 12 of the Michigan campaign finance act, 1976 PA 388, MCL**
22 **169.212.**

23 (g) The applicant or affiliate owns more than a 10% ownership
24 interest in any entity holding a casino license issued under this
25 act.

26 (h) The board concludes that the applicant lacks the requisite
27 suitability as to integrity, moral character, and reputation;
28 personal and business probity; financial ability and experience;
29 responsibility; or means to develop, construct, operate, or



1 maintain the casino proposed in the certified development
2 agreement.

3 (i) The applicant fails to meet other criteria considered
4 appropriate by the board. The criteria considered appropriate by
5 the board ~~shall~~**must** not be arbitrary, capricious, or contradictory
6 to the expressed provisions of this act.

7 (5) In determining whether to grant a casino license to an
8 applicant, the board shall also consider all of the following:

9 (a) The integrity, moral character, and reputation; personal
10 and business probity; financial ability and experience; and
11 responsibility of the applicant and of any other person or means to
12 develop, construct, operate, or maintain a casino that either:

13 (i) Controls, directly or indirectly, the applicant.

14 (ii) Is controlled, directly or indirectly, by the applicant or
15 by a person who controls, directly or indirectly, the applicant.

16 (b) The prospective total revenue to be derived by the state
17 from the conduct of casino gambling.

18 (c) The financial ability of the applicant to purchase and
19 maintain adequate liability and casualty insurance. ~~and to provide~~
20 ~~an adequate surety bond.~~

21 (d) The sources and total amount of the applicant's
22 capitalization to develop, construct, maintain, and operate the
23 proposed casino.

24 (e) Whether the applicant has adequate capitalization to
25 develop, construct, maintain, and operate for the duration of a
26 license the proposed casino in accordance with the requirements of
27 this act and rules promulgated by the board and to responsibly pay
28 off its secured and unsecured debts in accordance with its
29 financing agreement and other contractual obligations.



1 (f) The extent and adequacy of any compulsive gambling
2 programs that the applicant will adopt and implement if licensed.

3 (g) The past and present compliance of the applicant and its
4 affiliates or affiliated companies with casino or casino-related
5 licensing requirements, casino-related agreements, or compacts with
6 ~~the state of Michigan~~ **this state** or any other jurisdiction.

7 (h) Whether the applicant has been indicted, charged,
8 arrested, convicted, pleaded guilty or nolo contendere, forfeited
9 bail concerning, or had expunged any criminal offense under the
10 laws of any jurisdiction, either felony or misdemeanor, not
11 including traffic violations, regardless of whether the offense has
12 been expunged, pardoned, or reversed on appeal or otherwise.

13 (i) Whether the applicant has filed, or had filed against it,
14 a proceeding for bankruptcy or has ever been involved in any formal
15 process to adjust, defer, suspend, or otherwise work out the
16 payment of any debt.

17 (j) Whether the applicant has been served with a complaint or
18 other notice filed with any public body regarding a payment of any
19 tax required under federal, state, or local law that has been
20 delinquent for 1 **year** or more. ~~years.~~

21 (k) The applicant has a history of noncompliance with the
22 casino licensing requirements of any jurisdiction.

23 (l) The applicant has a history of noncompliance with any
24 regulatory requirements in this state or any other jurisdiction.

25 (m) Whether at the time of application the applicant is a
26 defendant in litigation involving its business practices.

27 (n) Whether awarding a license to an applicant would undermine
28 the public's confidence in the ~~Michigan~~ gaming industry **in this**
29 **state.**



1 (o) Whether the applicant meets other standards for ~~the~~
2 ~~issuance of issuing~~ a casino license ~~which that~~ the board may
3 promulgate by rule. The rules promulgated under this subdivision
4 shall ~~must~~ not be arbitrary, capricious, or contradictory to the
5 expressed provisions of this act.

6 (6) Each applicant shall ~~must~~ submit with its application, on
7 forms provided by the board, a photograph and 2 sets of
8 fingerprints for each person having a greater than ~~1%~~ **5%** direct or
9 indirect pecuniary interest in the casino, and each person who is
10 ~~an officer, a director, or is a~~ managerial employee of the
11 applicant **who performs the function of principal executive officer,**
12 **principal operation officer, or principal accounting officer.**

13 (7) The board shall review all applications for casino
14 licenses and shall inform each applicant of the board's decision.
15 ~~Prior to~~ **Before** rendering its decision, the board shall provide a
16 public investigative hearing at which the applicant for a license
17 ~~shall have~~ **has** the opportunity to present testimony and evidence to
18 establish its suitability for a casino license. Other testimony and
19 evidence may be presented at the hearing, but the board's decision
20 shall ~~must~~ be based on the whole record before the board and is not
21 limited to testimony and evidence submitted at the public
22 investigative hearing.

23 (8) A license shall ~~be~~ **is** issued for a 1-year period. All
24 licenses are renewable annually upon payment of the license fee and
25 upon the transmittal to the board of an annual report to include
26 information required under rules promulgated by the board.

27 (9) All applicants and licensees shall ~~must~~ consent to
28 inspections, searches, and seizures and the providing of
29 handwriting exemplar, fingerprints, photographs, and information as



1 authorized in this act and in rules promulgated by the board.

2 (10) Applicants and licensees ~~shall be~~ **are** under a continuing
3 duty to provide information requested by the board and to cooperate
4 in any investigation, inquiry, or hearing conducted by the board.

5 (11) Failure to provide information requested by the board to
6 assist in any investigation, inquiry, or hearing of the board, or
7 failure to comply with this act or rules promulgated by the board,
8 may result in denial, suspension, or, upon reasonable notice,
9 revocation of a license.

10 Sec. 6a. (1) If in the review of an application submitted
11 under this act the board identifies a deficiency that would require
12 denial, the board shall ~~notify~~ **give written notice of the**
13 **deficiency to** the applicant. ~~and the city in writing of the~~
14 ~~deficiency.~~

15 (2) The board shall provide ~~the~~ **an** applicant a reasonable
16 period of time to correct ~~the~~ **a** deficiency.

17 Sec. 6c. (1) Unless the board determines that an institutional
18 investor ~~may be found~~ **is** unqualified, an institutional investor
19 holding either under 10% of the equity securities or debt
20 securities of a casino licensee's affiliate or affiliated company
21 ~~which~~ **that** is related in any way to the financing of the casino
22 licensee, if the securities represent a percentage of the
23 outstanding debt of the affiliate or affiliated company not
24 exceeding 20%, or a percentage of any issue of the outstanding debt
25 of the affiliate or affiliated company not exceeding 50%, ~~shall~~
26 **must** be granted a waiver of the eligibility and suitability
27 requirements of section 6 if ~~such securities are those of a~~
28 ~~publicly traded corporation and its holdings of such~~ **those**
29 securities were purchased for investment purposes only and, if



1 requested by the board, **the investor** files with the board a
2 certified statement that it has no intention of influencing or
3 affecting the affairs of the issuer, the casino licensee, or its
4 affiliate or affiliated company.

5 (2) The board may grant a waiver under this section to an
6 institutional investor holding a higher percentage of securities as
7 allowed in subsection (1), ~~upon~~**on** a showing of good cause and if
8 the conditions specified in subsection (1) are met.

9 (3) An institutional investor granted a waiver under this
10 section that subsequently intends to influence or affect the
11 affairs of the issuer ~~shall~~**must** provide notice to the board and
12 file an application for a determination of eligibility and
13 suitability before taking any action that may influence or affect
14 the affairs of the issuer.

15 (4) Notwithstanding any provisions of this act, an
16 institutional investor may vote on all matters that are put to the
17 vote of the outstanding security holders of the issuer.

18 (5) If an institutional investor changes its investment intent
19 or if the board finds that the institutional investor ~~may be found~~
20 **is** unqualified, no action other than divestiture of the security
21 holdings shall be taken until there has been compliance with this
22 act.

23 (6) The casino licensee or an affiliate or affiliated company
24 of the casino licensee shall immediately notify the board of any
25 information concerning an institutional investor holding its equity
26 or debt securities ~~which~~**that** may impact the eligibility and
27 suitability of the institutional investor for a waiver under this
28 section.

29 (7) If the board finds that an institutional investor holding



1 any security of an affiliate or affiliated company of a casino
 2 licensee that is related in any way to the financing of the casino
 3 licensee fails to comply with the requirements of this section, or
 4 if at any time the board finds that, by reason of the extent or
 5 nature of its holdings, an institutional investor is in a position
 6 to exercise a substantial impact upon the controlling interests of
 7 a casino licensee, the board may take any necessary action to
 8 protect the public interest, including requiring this institutional
 9 investor to satisfy the eligibility and suitability requirements
 10 under section 6.

11 Sec. 7a. (1) The board may issue a supplier's license to a
 12 person who applies for a license and pays a nonrefundable
 13 application fee set by the board, if the board determines that the
 14 applicant is eligible and suitable for a supplier's license and the
 15 applicant pays a \$5,000.00 annual license fee. It is the burden of
 16 the applicant to establish by clear and convincing evidence its
 17 suitability as to integrity, moral character, and reputation;
 18 personal and business probity; financial ability and experience;
 19 responsibility; and other criteria considered appropriate by the
 20 board. All applications ~~shall~~ **of a director or managerial employee**
 21 **of the applicant who performs the function of principal executive**
 22 **officer, principal operations officer, or principal accounting**
 23 **officer must** be made under oath.

24 (2) A person who holds a supplier's license is authorized to
 25 sell or lease, and to contract to sell or lease, equipment and
 26 supplies to any licensee involved in the ownership or management of
 27 gambling operations.

28 (3) Gambling supplies and equipment ~~shall~~ **must** not be
 29 distributed unless supplies and equipment conform to standards



1 adopted in rules promulgated by the board.

2 (4) An applicant is ineligible to receive a supplier's license
3 if any of the following circumstances exist:

4 (a) The applicant has been convicted of a felony under the
5 laws of this state, any other state, or the United States. **The**
6 **board may waive the requirements in this subdivision if the**
7 **conviction occurred more than 10 years before the applicant applies**
8 **for a license under this section and the board is convinced of both**
9 **of the following:**

10 (i) That the applicant does not pose a threat to the integrity
11 of gaming.

12 (ii) That the applicant otherwise meets the requirements of
13 this section.

14 (b) The applicant has been convicted of a misdemeanor
15 involving gambling, theft, fraud, or dishonesty in any state or a
16 local ordinance in any state involving gambling, dishonesty, theft,
17 or fraud that substantially corresponds to a misdemeanor in that
18 state. **The board may waive the requirements in this subdivision if**
19 **the conviction occurred more than 5 years before the applicant**
20 **applies for a license under this section and the board is convinced**
21 **of both of the following:**

22 (i) That the applicant does not pose a threat to the integrity
23 of gaming.

24 (ii) That the applicant otherwise meets the requirements of
25 this section.

26 (c) The applicant has submitted an application for license
27 under this act ~~which~~ **that** contains false information.

28 (d) The applicant is a member of the board.

29 (e) The applicant holds an elective office ~~of a governmental~~



1 ~~unit of this state, another state, or the federal government, or is~~
 2 ~~a member of or in the city or county where the casino is located,~~
 3 **state elective office, or federal elective office, or is** employed
 4 by a **city or county where the casino is located or by a** gaming
 5 regulatory body of a governmental unit in this state, another
 6 state, or the federal government. ~~, or is employed by a~~
 7 ~~governmental unit of this state.~~ This subdivision does not apply to
 8 an elected officer of or **an** employee of a federally recognized
 9 Indian tribe or ~~an elected to a~~ precinct delegate. **As used in this**
 10 **subdivision, "state elective office" means that term as defined in**
 11 **section 12 of the Michigan campaign finance act, 1976 PA 388, MCL**
 12 **169.212.**

13 ~~(f) The applicant owns more than a 10% ownership interest in~~
 14 ~~any entity holding a casino license issued under this act.~~

15 ~~(f) (g)~~ The board concludes that the applicant lacks the
 16 requisite suitability as to integrity, moral character, and
 17 reputation; personal and business probity; financial ability and
 18 experience; and responsibility.

19 ~~(g) (h)~~ The applicant fails to meet other criteria considered
 20 appropriate by the board. The **board shall not apply** criteria
 21 ~~considered appropriate by the board shall not be~~ **that are**
 22 arbitrary, capricious, or contradictory to the expressed provisions
 23 of this act.

24 (5) In determining whether to grant a supplier's license to an
 25 applicant, the board shall consider all of the following:

26 (a) The applicant's past and present compliance with casino
 27 licensing requirements of this state or any other jurisdiction
 28 pertaining to casino gaming or any other regulated activities.

29 (b) The integrity, moral character, and reputation; personal



1 and business probity; financial ability and experience; and
 2 responsibility of the applicant. ~~or an affiliate of the applicant.~~

3 (c) Whether the applicant has been indicted **for**, charged **with**,
 4 arrested **for**, convicted **of**, pleaded guilty or nolo contendere **to**,
 5 forfeited bail concerning, or had expunged any criminal offense
 6 under the laws of any jurisdiction, either felony or misdemeanor,
 7 not including traffic violations, regardless of whether the offense
 8 has been expunged, pardoned, or reversed on appeal or otherwise.

9 (d) Whether the applicant has filed, or had filed against it,
 10 a proceeding for bankruptcy or has ever been involved in any formal
 11 process to adjust, defer, suspend, or otherwise work out the
 12 payment of any debt.

13 (e) Whether the applicant has been served with a complaint or
 14 other notice filed with any public body regarding a payment of any
 15 tax required under federal, state, or local law that has been
 16 delinquent for 1 **year** or more. ~~years.~~

17 (f) Whether the applicant has a history of noncompliance with
 18 the casino licensing requirements of any jurisdiction.

19 (g) Whether the applicant has a history of noncompliance with
 20 any regulatory requirements in this state or any other
 21 jurisdiction.

22 (h) Whether at the time of application the applicant is a
 23 defendant in litigation involving its business practices.

24 (i) Whether awarding a license to ~~an~~**the** applicant would
 25 undermine the public's confidence in the ~~Michigan~~ gaming industry
 26 **in this state.**

27 (j) Whether the applicant meets other standards for ~~the~~
 28 ~~issuance of~~**issuing** a supplier's license ~~that~~**contained in a rule**
 29 **promulgated by** the board. ~~may promulgate by rule.~~ The ~~rules~~



1 ~~promulgated~~ **board shall not promulgate a rule** under this
 2 subdivision ~~shall not be~~ **that is** arbitrary, capricious, or
 3 contradictory to the expressed provisions of this act.

4 (6) Any ~~A~~ person, ~~including a junket enterprise,~~ that
 5 supplies equipment, devices, supplies, or services to a licensed
 6 casino shall first obtain a supplier's license. A supplier shall
 7 furnish to the board a list of all equipment, devices, and supplies
 8 offered for sale or lease to casino licensees licensed under this
 9 act.

10 (7) A supplier shall keep books and records of its business
 11 activities with a casino operator, including its furnishing of
 12 equipment, devices, supplies, and services to gambling operations
 13 separate and distinct from any other business that the supplier
 14 ~~might operate. A supplier shall file a quarterly return with the~~
 15 ~~board listing all sales, leases, and services.~~ **operates.** A supplier
 16 shall permanently affix its name to all its equipment, devices, and
 17 supplies for gambling operations. Any supplier's equipment,
 18 devices, or supplies that are used by any person in an unauthorized
 19 gambling operation ~~shall be~~ **are** forfeited to ~~the~~ **this** state.

20 (8) A casino licensee who owns its own equipment, devices, and
 21 supplies is not required to obtain a supplier's license.

22 (9) Any gambling equipment, devices, and supplies provided by
 23 any licensed supplier may be either repaired in the casino or
 24 removed from the casino to ~~a licensed area.~~ **an area approved by the**
 25 **board.**

26 (10) A **supplier's** license ~~shall be~~ **issued under this section**
 27 **is valid** for a ~~1-year~~ **period of 1 year from the date the license is**
 28 **issued.** All licenses are renewable annually upon payment of the
 29 license fee and the transmittal to the board of an annual report to



1 include information required under rules promulgated by the board.

2 (11) All applicants and licensees ~~shall~~**must** consent to
 3 inspections, searches, and seizures provided for in section
 4 4a(1)(c)(i) to (v) and to the disclosure to the board and its agents
 5 of confidential records, including tax records, held by any
 6 federal, state, or local agency, credit bureau, or financial
 7 institution and to provide handwriting exemplars, photographs,
 8 fingerprints, and information as authorized in this act and in
 9 rules promulgated by the board.

10 (12) Applicants and licensees ~~shall be under~~**have** a continuing
 11 duty to provide information requested by the board and to cooperate
 12 in any investigation, inquiry, or hearing conducted by the board.

13 (13) Failure to provide information requested by the board to
 14 assist in any investigation, inquiry, or hearing of the board, or
 15 failure to comply with this act or rules promulgated by the board,
 16 may result in denial, suspension, or, upon reasonable notice,
 17 revocation of a license.

18 Sec. 7c. (1) Each local labor organization that directly
 19 represents casino gaming employees shall register with the board
 20 ~~annually~~**biennially** and provide all of the following:

21 (a) The local labor organization's name, address, and
 22 telephone number.

23 (b) The name and address of any international labor
 24 organization with which it directly or indirectly maintains an
 25 affiliation or relationship.

26 (c) All of the following information for the designated
 27 individuals and other personnel of the local labor organization:

28 (i) The individual's full name and any known alias or nickname.

29 (ii) The individual's business address and telephone number.



1 (iii) The individual's title or other designation in the local
2 labor organization.

3 (iv) Unless information is required under subdivision (d) (v), a
4 brief description of the individual's duties and activities.

5 (v) The individual's annual compensation, including salary,
6 allowances, reimbursed expenses, and other direct or indirect
7 disbursements.

8 (d) All of the following additional information for each
9 designated individual of the local labor organization:

10 (i) The individual's home address and telephone number.

11 (ii) The individual's date and place of birth.

12 (iii) The individual's ~~social security~~ **Social Security** number.

13 (iv) The date he or she was hired by or first consulted with or
14 advised the local labor organization.

15 (v) A detailed description of all of the following:

16 (A) The individual's duties and activities.

17 (B) Whether he or she performed the same or similar activities
18 previously on a labor organization's behalf.

19 (C) The individual's prior employment or occupational history.

20 (vi) Excluding minor traffic offenses, a detailed description
21 of all of the following:

22 (A) The individual's convictions, including any conviction
23 that was expunged or set aside, sealed by court order, or for which
24 he or she received a pardon.

25 (B) Any criminal offense for which he or she was charged or
26 indicted but not convicted.

27 (vii) Whether he or she was ever denied a business, liquor,
28 gaming, or professional license or had ~~such a~~ **business, liquor,**



1 **gaming, or professional** license revoked.

2 (viii) Whether a court or governmental agency determined the
3 individual unsuitable to be affiliated with a labor organization
4 and the details of that determination.

5 (ix) Whether the individual was ever subpoenaed as a witness
6 before a grand jury, legislative committee, administrative body,
7 crime commission, or similar agency and the details relating to
8 that subpoena.

9 (x) A photograph of the individual taken within the previous
10 60 days.

11 (xi) For the local labor organization's first filing, a
12 complete set of the individual's fingerprints.

13 (e) A written certification under oath by the local labor
14 organization president, secretary, treasurer, or chief official
15 that the information provided under this subsection is complete and
16 accurate. The board shall prescribe the form for this
17 certification.

18 (2) A local labor organization may satisfy the information
19 requirements of subsection (1) by providing to the board copies of
20 reports filed with the United States ~~department of labor~~ **Department**
21 **of Labor** under the labor management reporting and disclosure act of
22 1959, Public Law 86-257, supplemented by any required information
23 not contained in those reports.

24 (3) If information required under subsection (1) for a
25 designated individual changes after registration or if the local
26 labor organization gains a designated individual after
27 registration, the local labor organization shall provide the board
28 with that new information or the information, photograph, and
29 fingerprints required under subsection (1) for the new designated



1 individual within 21 days **after the information changes.**

2 (4) Notwithstanding section 4c, information provided by a
3 local labor organization to the board under this section is exempt
4 from disclosure under the freedom of information act, 1976 PA 442,
5 MCL 15.231 to 15.246.

6 (5) Upon finding by clear and convincing evidence that grounds
7 for disqualification under subsection (6) exist, the board may
8 disqualify an officer, agent, or principal employee of a local
9 labor organization registered or required to be registered under
10 this section from performing any of the following functions:

11 (a) Adjusting grievances for or negotiating or administering
12 the wages, hours, working conditions, or employment conditions of
13 casino gaming employees.

14 (b) Soliciting, collecting, or receiving from casino gaming
15 employees any dues, assessments, levies, fines, contributions, or
16 other charges within this state for or on behalf of the local labor
17 organization.

18 (c) Supervising, directing, or controlling other officers,
19 agents, or employees of the local labor organization in performing
20 functions described in subdivisions (a) and (b).

21 (6) An individual may be disqualified under subsection (5) for
22 lacking good moral character only if any of the following apply:

23 (a) He or she has been indicted or charged with, convicted of,
24 pled guilty or nolo contendere to, or forfeited bail in connection
25 with a crime involving gambling, theft, dishonesty, prostitution,
26 or fraud under the laws of this state, any other state, or the
27 United States or a local ordinance of a political subdivision of
28 this state or another state. Disqualification ~~cannot~~ **must not** be
29 based only on crimes that involve soliciting or engaging



1 prostitution services unless the individual is or has engaged in an
2 ongoing pattern of that behavior. If the grounds for
3 disqualification are criminal charges or indictment, at the
4 individual's request, the board shall defer making a decision on
5 disqualification while the charge or indictment is pending.

6 (b) He or she intentionally or knowingly made or caused to be
7 made a false or misleading statement in a document provided to the
8 board or its agents or orally to a board member or agent in
9 connection with an investigation.

10 (c) He or she engages in criminal or unlawful activities in an
11 occupational manner or context for economic gain, or is an
12 associate or member of a group of individuals who operate together
13 in that fashion, and this behavior creates a reasonable belief that
14 the behavior adversely affects gambling operations and the public
15 policy underlying this act. In making a determination under this
16 subdivision, the board may consider findings or identifications by
17 the attorney general or department of state police that an
18 individual is within this category.

19 (7) A designated individual shall report all information
20 described in subsection (6) (a) to (c) concerning him or her to the
21 local labor organization. A local labor organization shall report
22 all information described in subsection (6) (a) to (c) concerning
23 its designated individuals of which it has actual knowledge to the
24 board.

25 (8) The board may waive any disqualification criterion under
26 subsection (6) or may rescind a disqualification under subsection
27 (5), if doing so is consistent with the public policy of this act
28 and based on a finding that the interests of justice ~~so~~ require
29 **that waiver or rescission.**



1 (9) The board shall give written notice to an individual it
2 proposes to disqualify and to the affected labor organization,
3 stating the reason for the proposed disqualification and describing
4 any supporting evidence in the board's possession. Within 30 days
5 after receiving the written notice of proposed disqualification,
6 the respondent may file with the board a written request for a
7 hearing, ~~which shall~~ **that must** take place promptly. The board shall
8 conduct the hearing in conformity with the contested case
9 procedures set forth in the administrative procedures act of 1969,
10 1969 PA 306, MCL 24.201 to 24.328. A person aggrieved by a final
11 disqualification has the right to appeal to the circuit court for
12 the county in which the person resides or has his or her principal
13 place of business to have the disqualification set aside based on
14 any ground set forth in section 106 of the administrative
15 procedures act of 1969, 1969 PA 306, MCL 24.306.

16 (10) Not later than January 31 of the calendar year after
17 disqualification and each year after that unless the
18 disqualification is rescinded or reversed, the disqualified
19 individual shall provide the board with a sworn statement that he
20 or she did not perform the functions described in subsection (5)
21 during the previous year.

22 (11) The board may petition ~~in~~ the circuit court for the
23 county in which the disqualified individual resides or has his or
24 her principal place of business for an order enforcing the terms of
25 the disqualification.

26 (12) A local labor organization that is registered or required
27 to be registered under this section or any officer, agent, or
28 principal employee of that organization shall not personally hold
29 any financial interest in a casino licensee employing casino gaming



1 employees represented by the organization or person.

2 (13) This section does not prohibit a local labor organization
3 from conducting training for or operating a school to train casino
4 gaming employees, or from entering into an agreement or arrangement
5 with a casino licensee, supplier, or vendor to provide for the
6 training of casino gaming employees. ~~A local labor organization
7 that conducts such training or operates such a school or does not
8 otherwise qualify as a supplier is not subject to the contribution
9 prohibitions of section 7b.~~

10 (14) This section does not deny, abridge, or limit in any way
11 the legitimate rights of casino gaming employees to form, join, or
12 assist labor organizations, to bargain collectively through
13 representatives of their own choosing, or to engage in other
14 concerted activities for the purpose of collective bargaining or
15 other mutual aid and protection or the free exercise of any other
16 rights they may have as employees under the laws of the United
17 States or this state.

18 (15) This section ~~shall~~**must** not be expanded or amplified by
19 action of the board or any other executive or administrative body.
20 The board and any other executive or administrative body do not
21 have authority to promulgate interpretive rules or rulings to
22 implement this section. The board and any other executive or
23 administrative body do not have authority under this section to
24 require that a local labor organization or an officer, agent, or
25 principal employee of a labor organization does either of the
26 following:

27 (a) Qualify for or obtain a casino, occupational, or
28 supplier's license or any other license or permit required under
29 rules promulgated by the board.



1 (b) Ensure the compliance of any person or entity with the
 2 licensing requirements under this act or under rules promulgated by
 3 the board.

4 (16) As used in this section:

5 (a) "Casino gaming employee" means the following and their
 6 supervisors:

7 (i) Individuals involved in operating a casino gaming pit,
 8 including dealers, skills, clerks, **and** hosts. ~~, and junket~~
 9 ~~representatives.~~

10 (ii) Individuals involved in handling money, including
 11 cashiers, change persons, count teams, and coin wrappers.

12 (iii) Individuals involved in operating gambling games.

13 (iv) Individuals involved in operating and maintaining slot
 14 machines, including mechanics, floorpersons, and change and payoff
 15 persons.

16 (v) Individuals involved in security, including guards and
 17 game observers.

18 (vi) Individuals with duties similar to those described in
 19 subparagraphs (i) to (v). However, casino gaming employee does not
 20 include an individual whose duties are related solely to nongaming
 21 activities such as entertainment, hotel operation, maintenance, or
 22 preparing or serving food and beverages.

23 (b) "Designated individual" means an officer, agent, principal
 24 employee, or individual performing a function described in
 25 subsection (5).

26 (17) ~~Nothing in this~~ **This** act ~~shall~~ **does not** preclude
 27 employees from exercising their legal rights to organize themselves
 28 into collective bargaining units.

29 Sec. 8. (1) The board may issue an occupational license to an



1 applicant after all of the following have occurred:

2 (a) The applicant has paid a nonrefundable application fee set
3 by the board.

4 (b) The board has determined that the applicant is eligible
5 for an occupational license ~~pursuant to~~ **under** rules promulgated by
6 the board.

7 (c) The applicant has paid the biennial license fee in an
8 amount ~~to be~~ established by the board.

9 (2) ~~It is the burden of the~~ **The** applicant ~~to~~ **shall** establish
10 by clear and convincing evidence the applicant's eligibility and
11 suitability as to integrity, moral character, and reputation;
12 personal probity; financial ability and experience; responsibility;
13 and other criteria ~~as may be~~ considered appropriate by the board.
14 The **board shall not apply** criteria ~~considered appropriate by the~~
15 ~~board shall not be~~ **that are** arbitrary, capricious, or contradictory
16 to the expressed provisions of this act. All applications ~~shall~~
17 **must** be made under oath.

18 (3) To be eligible for an occupational license, an applicant
19 ~~shall~~ **must meet all of the following:**

20 (a) Be at least 21 years of age if the applicant will perform
21 any function involved in gaming by patrons.

22 (b) Be at least 18 years of age if the applicant will perform
23 only nongaming functions.

24 (c) Not have been convicted of a felony under the laws of this
25 state, any other state, or the United States. **The board may waive**
26 **the requirements in this subdivision if the conviction occurred**
27 **more than 10 years before the applicant applies for a license under**
28 **this section and the board is convinced of both of the following:**

29 (i) **That the applicant does not pose a threat to the integrity**



1 of gaming.

2 (ii) That the applicant otherwise meets the requirements of
3 subsection (2).

4 (d) Not have been convicted of a misdemeanor involving
5 gambling, dishonesty, theft, or fraud in any state or any violation
6 of a local ordinance in any state involving gambling, dishonesty,
7 theft, or fraud that substantially corresponds to a misdemeanor in
8 that state. **The board may waive the requirements in this**
9 **subdivision if the conviction occurred more than 5 years before the**
10 **applicant applies for a license under this section and the board is**
11 **convinced of both of the following:**

12 (i) That the applicant does not pose a threat to the integrity
13 of gaming.

14 (ii) That the applicant otherwise meets the requirements of
15 subsection (2).

16 (4) Each application for an occupational license ~~shall~~**must** be
17 on a form prescribed by the board and ~~shall~~contain all information
18 required by the board. The applicant shall set forth in the
19 application whether he or she has been issued prior gambling
20 related licenses; whether he or she has been licensed in any other
21 state under any other name, and, if so, the name under which the
22 license was issued and his or her age at the time the license was
23 issued; and whether or not a permit or license issued to him or her
24 in any other state has been suspended, restricted, or revoked, and,
25 if so, the cause and the duration of each ~~action~~**suspension,**
26 **restriction, or revocation.**

27 (5) Each applicant shall submit with his or her application,
28 on a form provided by the board, 2 sets of his or her fingerprints
29 and a photograph. The board shall charge each applicant an



1 application fee set by the board to cover all actual costs of
2 administering the act relative to costs generated by each licensee
3 and all background checks.

4 (6) The board may, in its discretion, deny an occupational
5 license to a person who is or does any of the following:

6 (a) The applicant fails to disclose or states falsely any
7 information requested in the application.

8 (b) The applicant is a member of the board.

9 (c) The applicant has a history of noncompliance with the
10 casino licensing requirements of any jurisdiction.

11 (d) Whether the applicant has been indicted **for**, charged **with**,
12 arrested **for**, convicted **of**, pleaded guilty or nolo contendere **to**,
13 forfeited bail concerning, or had expunged any criminal offense
14 under the laws of any jurisdiction, either felony or misdemeanor,
15 not including traffic violations, regardless of whether the offense
16 has been expunged, pardoned, or reversed on appeal or otherwise.

17 (e) The applicant has filed, or had filed against it, a
18 proceeding for bankruptcy or has ever been involved in any formal
19 process to adjust, defer, suspend, or otherwise work out the
20 payment of any debt.

21 (f) The applicant has a history of noncompliance with any
22 regulatory requirements in this state or any other jurisdiction.

23 (g) The applicant has been served with a complaint or other
24 notice filed with any public body regarding a payment of any tax
25 required under federal, state, or local law that has been
26 delinquent for 1 **year** or more. ~~years.~~

27 (h) The applicant is employed by a governmental unit **of this**
28 **state.**

29 ~~(i) The applicant or affiliate owns more than a 10% ownership~~



1 ~~interest in any entity holding a casino license issued under this~~
 2 ~~act.~~

3 (i) ~~(j)~~—The board concludes that the applicant lacks the
 4 requisite suitability as to integrity, moral character, and
 5 reputation; personal probity; financial ability and experience; or
 6 responsibility.

7 (j) ~~(k)~~—The applicant fails to meet any other criteria that
 8 the board considers appropriate. The **board shall not apply** criteria
 9 ~~considered appropriate by the board shall not be~~ **that are**
 10 arbitrary, capricious, or contradictory to the expressed provisions
 11 of this act.

12 (k) ~~(l)~~—The applicant is unqualified to perform the duties
 13 required of the license.

14 (l) ~~(m)~~—The applicant has been found guilty of a violation of
 15 this act.

16 (m) ~~(n)~~—The applicant has had a prior gambling related license
 17 or license application suspended, restricted, revoked, or denied
 18 for just cause in any other jurisdiction.

19 (7) The board may suspend, revoke, or restrict any
 20 occupational licensee for any of the following:

21 (a) Violation of this act.

22 (b) Violation of any ~~of the rules~~ **rule** promulgated by the
 23 board.

24 (c) Any cause ~~which,~~ **that**, if known to the board, would have
 25 disqualified the applicant from receiving the license.

26 (d) Default in the payment of any obligation or debt due to
 27 ~~the state of Michigan.~~ **this state.**

28 (e) Any other just cause.

29 (8) A license issued ~~pursuant to~~ **under** this section ~~shall be~~



1 **is** valid for a period of 2 years from the date ~~of issuance.~~**the**
 2 **license is issued.**

3 (9) All applicants and licensees ~~shall~~**must** consent to the
 4 inspections, searches, and seizures of their person and personal
 5 effects as provided in section 4a(1)(c)(i) to (v) and the providing
 6 of handwriting exemplars, photographs, fingerprints, and
 7 information as authorized in this act and in rules promulgated by
 8 the board.

9 (10) An applicant or licensee ~~shall be under~~**has** a continuing
 10 duty to provide information requested by the board and to cooperate
 11 in any investigation, inquiry, or hearing conducted by the board.

12 (11) Failure to provide information requested by the board, to
 13 assist in any investigation, inquiry, or hearing of the board, or
 14 to comply with this act or rules of the board may result in denial,
 15 suspension, or, upon reasonable notice, revocation of a license.

16 Sec. 9. (1) ~~Minimum~~**The board shall set minimum** and maximum
 17 wagers on games. ~~shall be set by the board.~~

18 (2) Employees of the board, the department of state police,
 19 and the department of attorney general may inspect any casino at
 20 any time, without notice, ~~for the purpose of determining to~~
 21 **determine** whether this act or rules promulgated by the board are
 22 being complied with.

23 (3) Employees of the board, the department of state police,
 24 and the department of attorney general, and their authorized agents
 25 ~~shall~~ have the right to be present, at any time, in the casino or
 26 on adjacent facilities under the control of the licensee.

27 (4) Gambling equipment and supplies customarily used in
 28 conducting casino gambling ~~shall~~**must** be purchased or leased only
 29 from suppliers who are licensed under this act.



1 (5) Persons licensed under this act shall **not** permit ~~no~~**any**
2 form of wagering on gambling games except as permitted by this act.

3 (6) ~~Wagers may be received only from a person present in a~~
4 ~~licensed casino.~~ A person present in a licensed casino shall not
5 place or attempt to place a wager on behalf of another person who
6 is not present in the casino.

7 (7) Wagering ~~shall~~**must** not be conducted with money or other
8 negotiable currency **unless otherwise approved by the board.**

9 (8) All ~~tokens,~~ chips, or electronic cards used to make wagers
10 ~~shall~~**must** be purchased from a ~~licensed owner in the casino.~~
11 **licensee.** The ~~tokens,~~ chips, or electronic cards may be purchased
12 by means of an agreement under which the owner extends credit to
13 the patron. ~~Such tokens,~~**The** chips, or electronic cards may be used
14 ~~only while in a casino and only for the purpose of making wagers on~~
15 ~~gaming~~**gambling** games.

16 (9) A person ~~under age~~**who is less than 21** ~~shall~~**years old is**
17 ~~not be~~ permitted in an area of a casino where gaming is being
18 conducted, except for a person ~~at least~~ 18 years of age **or older**
19 who is an employee of the gaming operation. An employee ~~under the~~
20 ~~age of~~**who is less than 21 years old** shall not perform any function
21 involved in gambling by the patrons. A person ~~under age~~**who is less**
22 **than 21** ~~shall~~**years old is** not be permitted to make a wager under
23 this act.

24 (10) ~~Managerial employees of casino licensees pursuant to this~~
25 ~~act shall be under an affirmative duty to~~**A managerial employee of**
26 **a casino licensee shall** report to the board, and the Michigan
27 **department of** state police, in writing, within 24 hours, illegal or
28 suspected illegal activity or activity ~~which~~**that** is in violation
29 of this act or of rules promulgated by the board.



1 (11) In addition to the requirements of this section, gambling
 2 ~~shall~~**must** be conducted in accordance with the rules promulgated by
 3 the board.

4 (12) Unless approved by the city, a casino ~~shall~~**must** not be
 5 located within 1,000 feet of any of the following:

6 (a) A church or other place of worship.

7 (b) A school, college, or university.

8 (c) A financial institution or a branch of a financial
 9 institution.

10 (d) A pawnshop.

11 (13) As used in ~~subsection (12)~~, **this section**, "financial
 12 institution" means a state or nationally chartered bank, a state or
 13 federally chartered savings and loan association, a state or
 14 federally chartered savings bank, a state or federally chartered
 15 credit union, or any entity that provides check-cashing services.

16 (14) A casino licensee shall not employ an individual **who has**
 17 **been convicted of a felony in the previous 5 years** as a managerial
 18 employee ~~who has been convicted of a felony in the previous 5 years~~
 19 ~~to work in a casino.~~

20 Sec. 9a. (1) A person who holds a casino license shall not
 21 install, own, or operate or allow another person to install, own,
 22 or operate an electronic funds transfer terminal on the premises of
 23 the casino that is less than 50 feet from any game in the casino.

24 (2) A person who holds a casino license shall not install,
 25 own, or operate or allow another person to install, own, or operate
 26 on the premises of the casino a game that is played with a device
 27 that allows a player to operate the game by transferring funds
 28 electronically from a credit or debit card.

29 (3) As used in this section, "electronic funds transfer



1 terminal" means an information processing device used for the
 2 purpose of executing deposit account transactions between financial
 3 institutions and their customers by either the direct transmission
 4 of electronic impulses or the recording of electronic impulses for
 5 delayed processing. The fact that a device is used for other
 6 purposes does not prevent it from being an electronic funds
 7 transfer terminal **except a player's mobile or other personal device**
 8 **is not an electronic funds transfer terminal.**

9 Sec. 9b. (1) ~~A~~ **Except as provided in section 12, a** person who
 10 holds a casino license **issued under this act** shall not televise or
 11 allow any other person to televise simulcast horse races on the
 12 premises of the casino.

13 (2) As used in this section, "simulcast" means the live
 14 transmission of video and audio signals conveying a horse race held
 15 either in or outside of this state.

16 Sec. 9c. (1) A person who holds a casino license issued
 17 ~~pursuant to~~ **under** this act shall conspicuously post at each
 18 entrance and exit of the casino, on each electronic funds transfer
 19 terminal, and at each credit location a visually prominent sign on
 20 which is printed a toll-free compulsive gaming helpline number.

21 (2) A person who holds a casino license **issued under this act**
 22 shall include a toll-free compulsive gaming helpline number on all
 23 of its printed advertisement and promotional materials.

24 Sec. 12. (1) ~~A~~ **Except as otherwise provided in subsections**
 25 **(15) and (16), a** wagering tax is imposed on the adjusted gross
 26 receipts received by ~~the~~ **a casino** licensee from gaming authorized
 27 under this act at the rate of 18%. If a city exercises either of
 28 the options in subsection (4), the tax rate under this subsection
 29 ~~shall be~~ **is** 8.1% and **must be** deposited in the state school aid fund



1 to provide additional funds for K-12 classroom education. If ~~the a~~
 2 city rescinds or is otherwise unable to exercise 1 of the options
 3 in subsection (4), the tax rate under this subsection ~~shall be is~~
 4 18%. A tax rate of 18% imposed under this subsection ~~shall cover~~
 5 **covers** any period for which the city does not or is unable to
 6 exercise 1 of the options in subsection (4).

7 (2) The state casino gaming fund is created in the department.
 8 ~~of treasury.~~ The fund shall be administered by the department in
 9 accordance with this act. Except as provided in sections 12a and
 10 13, the taxes imposed under this section plus all other fees,
 11 fines, and charges imposed by ~~the this~~ state ~~shall under this act~~
 12 **must** be deposited into the state casino gaming fund. ~~The A casino~~
 13 **licensee shall remit the** wagering tax ~~is to be remitted daily by~~
 14 ~~the holder of a casino license to the department of treasury daily~~
 15 by electronic wire transfer of funds. The ~~state department~~ shall
 16 remit the city's portion of the wagering tax to the city daily by
 17 electronic wire transfer of funds as provided by this act.

18 (3) If the ~~state imposes a~~ wagering tax **imposed** under
 19 subsection (1) ~~equal to is~~ 18% of adjusted gross receipts, money in
 20 the state casino gaming fund that is not from a tax imposed under
 21 subsections (5) to (8) ~~shall must~~ be allocated as follows:

22 (a) 55% to the city in which a casino is located for use in
 23 connection with the following:

24 (i) The hiring, training, and deployment of street patrol
 25 officers.

26 (ii) Neighborhood and downtown economic development programs
 27 designed to create local jobs.

28 (iii) Public safety programs such as emergency medical services,
 29 fire department programs, and street lighting.



1 (iv) Anti-gang and youth development programs.

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

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

6 (vii) The costs of capital improvements.

7 (viii) Road repairs and improvements.

8 (b) 45% to the state to be deposited in the state school aid
9 fund **established under section 11 of article IX of the state**
10 **constitution of 1963** to provide additional funds for K-12 classroom
11 education.

12 (4) A city in which a **casino** licensee is located may do 1 of
13 the following:

14 (a) In the development agreement into which the city is
15 entitled to enter, include a provision that requires the licensee
16 located in the city to pay the city a payment equal to 9.9% of the
17 adjusted gross receipts received by the licensee from gaming
18 authorized under this act.

19 (b) By ordinance, levy, assess, and collect an excise tax upon
20 licensees located in the city at a rate of 9.9% of the adjusted
21 gross receipts received by the licensee from gaming authorized
22 under this act.

23 (5) Subject to subsections (6) to (8), a wagering tax in
24 addition to the tax imposed in subsection (1) is imposed on the
25 adjusted gross receipts received by a licensee from gaming
26 authorized under this act at the rate of 6%. Money from the tax
27 imposed under this subsection that has been deposited in the state
28 casino gaming fund ~~shall~~**must** be allocated 1/3 to the city in which
29 the licensee's casino is located for use in connection with the



1 purposes listed in subsection (3)(a), 7/12 to the general fund, and
2 1/12 to the Michigan agriculture equine industry development fund.
3 The city may collect its share of the tax under this subsection
4 directly using 1 of the methods in subsection (4). For a period
5 during which the licensee is paying the city's share of the tax
6 under this subsection directly to the city under either of the
7 methods in subsection (4), the payment to the state casino gaming
8 fund under this subsection ~~shall be~~ **is** 4% and ~~shall must~~ be
9 allocated 7/8 to the general fund and 1/8 to the Michigan
10 agriculture equine industry development fund.

11 (6) Subject to subsections (7) and (8), and unless an act of
12 God, a war, a disaster, or an act of terrorism directly and
13 substantially impacts the ability of ~~the~~ **a casino** licensee to
14 complete construction of its casino and casino enterprise, if a
15 casino licensee is not fully operational by each of the following
16 dates, the tax on the **casino** licensee under subsection (5) ~~shall be~~
17 **is** as follows:

18 (a) July 1, 2009, 7%, allocated 1/2 to the general fund, 1/14
19 to the Michigan agriculture equine industry development fund, and
20 3/7 to the city in which the licensee's casino is located.

21 (b) July 1, 2010, 8%, allocated 7/16 to the general fund, 1/16
22 to the Michigan agriculture equine industry development fund, and
23 1/2 to the city in which the licensee's casino is located.

24 (c) July 1, 2011, 9%, allocated 7/18 to the general fund, 1/18
25 to the Michigan agriculture equine industry development fund, and
26 5/9 to the city in which the licensee's casino is located.

27 (7) Subject to subsection (8), and irrespective of whether
28 there has been an increase under subsection (6), after a casino
29 licensee has been fully operational for 30 consecutive days, the



1 **casino** licensee may apply to the board for certification under this
 2 subsection. If the board determines that a **casino** licensee that
 3 makes an application under this subsection has been fully
 4 operational and in compliance with its development agreement that
 5 is in existence on July 1, 2004 or a subsequent original
 6 development agreement, for at least 30 consecutive days, the board
 7 shall certify the **casino** licensee under this subsection, and the
 8 tax imposed on the **casino** licensee under subsection (5), as
 9 adjusted, if applicable, by subsection (6), shall be, retroactive
 10 to the first day of the 30 consecutive day period that the **casino**
 11 licensee was fully operational, reduced to 1% and ~~shall~~**must** be
 12 allocated entirely to the city where the licensee operates its
 13 casino.

14 (8) If the McCauley-Traxler-Law-Bowman-McNeely lottery act,
 15 1972 PA 239, MCL 432.1 to 432.47, is amended to allow the operation
 16 of video lottery at horse racetracks in this state, and if video
 17 lottery is being conducted at horse racetracks in this state, the
 18 **casino** licensee is no longer obligated to pay the wagering tax
 19 under subsections (5) to (7).

20 (9) Notwithstanding section 9b, if the McCauley-Traxler-Law-
 21 Bowman-McNeely lottery act, 1972 PA 239, MCL 432.1 to 432.47, is
 22 amended to allow the operation of video lottery at horse racetracks
 23 in this state, and if video lottery is being conducted at horse
 24 racetracks in this state, a casino licensee may, after obtaining
 25 approval from the board, apply to the racing commissioner for
 26 authorization to simulcast horse races under the horse racing law
 27 of 1995, 1995 PA 279, MCL 431.301 to 431.336. A casino licensee
 28 that is authorized under this subsection ~~shall display and allow~~
 29 ~~wagering on simulcast horse races only at the licensee's casino and~~



1 shall comply with all applicable provisions of the horse racing law
2 of 1995, 1995 PA 279, MCL 431.301 to 431.336, rules promulgated
3 under that act, and the written permit to conduct simulcasting and
4 any related order issued to the **casino** licensee by the racing
5 commissioner. Simulcasting and wagering under this subsection are
6 under the primary control of the racing commissioner, and the
7 racing commissioner may revoke or suspend the authorization of or
8 take other disciplinary action against the **casino** licensee for
9 failing to comply with a law, rule, permit, or order as required by
10 this subsection. However, the simulcasting and wagering under this
11 subsection is part of the licensee's casino operation under this
12 act and subject to the same control by the board as are other parts
13 of the licensee's casino operation. The board may take disciplinary
14 action under section 4a against a casino licensee for failure to
15 comply with a law, rule, permit, or order as required by this
16 subsection.

17 (10) A casino licensee is entitled to the same commission from
18 money wagered on horse races simulcast by the licensee as a race
19 meeting licensee is entitled to receive from wagering on simulcast
20 horse races under the horse racing law of 1995, 1995 PA 279, MCL
21 431.301 to 431.336. The same taxes, fees, and other deductions
22 ~~shall~~**must** be subtracted and paid from the licensee's commission as
23 are subtracted and paid from a race meeting licensee's commission
24 under the horse racing law of 1995, 1995 PA 279, MCL 431.301 to
25 431.336.

26 (11) Payments to a city under 1 of the methods in subsection
27 (4) ~~shall~~**must** be made in a manner, at those times, and subject to
28 reporting requirements and penalties and interest for delinquent
29 payment as may be provided for in the development agreement if the



1 payment is required under a development agreement, or by ordinance
2 if the payment is required for a tax levied by the city. Payments
3 required under the method described in subsection (4) (a) may be in
4 addition to any other payments ~~which~~**that** may be required in the
5 development agreement for the conveyance of any interest in
6 property, the purchase of services, or the reimbursement of
7 expenses. Payments to a city under the method described in
8 subsection (4) ~~shall~~**must** be used by the city for the purposes
9 listed in subsection (3) (a).

10 (12) Approval by the city of a development agreement or
11 adoption of an ordinance approving either casino gaming or the levy
12 of a local excise tax does not constitute the granting of a
13 franchise or license by the city for purposes of any statutory,
14 charter, or constitutional provision.

15 (13) The taxes imposed under this section and any tax imposed
16 under section 13(2) ~~shall~~**must** be administered by the department of
17 treasury in accordance with 1941 PA 122, MCL 205.1 to 205.31, and
18 this act. In case of conflict between the provisions of 1941 PA
19 122, MCL 205.1 to 205.31, and this act, the provisions of this act
20 prevail.

21 (14) Funds from this act ~~shall~~**must** not be used to supplant
22 existing state appropriations or local expenditures.

23 (15) **If internet gaming is authorized and regulated by another**
24 **law of this state, any taxes, payments, and fees relating to**
25 **internet wagers received by a casino licensee and internet gaming**
26 **are subject to that other law of this state and no other tax,**
27 **payment, or fee may be imposed by agreement or otherwise on a**
28 **casino licensee by this state or a political subdivision of this**
29 **state for internet wagers received by a casino licensee or internet**



1 gaming. This subsection does not impair the contractual rights
2 under an existing development agreement between a city and a casino
3 licensee.

4 (16) Except as otherwise provided in subsection (15), and in
5 lieu of the taxes and fees otherwise imposed under this act, a
6 wagering tax of 8% is imposed on the adjusted gross receipts
7 received by a casino licensee from sports betting or internet
8 gaming and no other tax, payment, or fee may be imposed by
9 agreement or otherwise on a casino licensee by this state or a
10 political subdivision of this state for sports betting or internet
11 gaming. Wagering taxes paid under this subsection must be allocated
12 as provided in subsection (3). This subsection does not impair the
13 contractual rights under an existing development agreement between
14 a city and a casino licensee.

15 (17) Notwithstanding subsections (15) and (16), if a casino
16 licensee provides a wagerer with a device to conduct internet
17 gaming while at the casino, the 19% wagering tax otherwise provided
18 under this section is imposed on the adjusted gross receipts
19 received by the casino licensee from the wagerer's internet gaming
20 on the device.

21 (18) ~~(15)~~As used in this section:

22 (a) "Fully operational" means that a certificate of occupancy
23 has been issued to the casino licensee for the operation of a hotel
24 with not fewer than 400 guest rooms and, after issuance of the
25 certificate of occupancy, the casino licensee's casino, casino
26 enterprise, and 400-guest-room hotel have been opened and made
27 available for public use at their permanent location and maintained
28 in that status.

29 (b) "Michigan agriculture equine industry development fund"



1 means the Michigan agriculture equine industry development fund
 2 created in section 20 of the horse racing law of 1995, 1995 PA 279,
 3 MCL 431.320.

4 Sec. 12a. (1) In addition to application and license fees
 5 described in this act, all regulatory and enforcement costs,
 6 compulsive gambling programs, casino-related programs and
 7 activities, casino-related legal services provided by the attorney
 8 general, and the casino-related expenses of the department of state
 9 police ~~shall~~**must** be paid by casino licensees as provided by this
 10 section.

11 (2) The total annual assessment for the first year in which
 12 any casino licensee under this act begins operating a casino in
 13 this state ~~shall be~~**is** \$25,000,000.00.

14 (3) The total annual assessment required under this subsection
 15 ~~shall~~**must** be adjusted each year by multiplying the annual
 16 assessment for the immediately preceding year by the Detroit
 17 ~~consumer price index~~**Consumer Price Index** for the immediately
 18 preceding year. As used in this subsection, "Detroit ~~consumer price~~
 19 ~~index~~**Consumer Price Index**" means the annual consumer price index
 20 for Detroit consumers as defined and reported by the United States
 21 ~~department~~**Department** of ~~labor, bureau~~**Labor, Bureau** of ~~labor~~
 22 ~~statistics~~**Labor Statistics**.

23 (4) On or before the date ~~the~~**a** casino licensee begins
 24 operating ~~the~~**its** casino and annually on that date thereafter, ~~each~~
 25 **the** casino licensee shall pay to the state treasurer an equal share
 26 of the total annual assessment required under this section. ~~In no~~
 27 ~~event shall a~~**A** casino's assessment **must not** exceed 1/3 of the
 28 total annual assessment required under this section.

29 (5) From the amount collected under subsection (4),



1 \$2,000,000.00 ~~shall~~**must** be deposited in the compulsive gaming
2 prevention fund.

3 (6) The state services fee fund is created in the department
4 ~~of treasury and shall be administered by the department~~ **shall**
5 **administer the state services fee fund** in accordance with this act.

6 (7) Except as provided in subsections (5) and (8), all ~~funds~~
7 **money** collected under this section ~~shall~~**must** be deposited in the
8 state services fee fund. Distributions from the fund ~~shall~~**must** be
9 made by the legislature through the appropriations process.

10 (8) The balance of the state services fee fund ~~shall~~**must** not
11 exceed \$65,000,000.00. If the ~~funds~~**money** collected under this
12 section would cause the balance to exceed the limitation of this
13 subsection, the surplus ~~funds~~**shall**~~money~~ **must** be credited in equal
14 shares against each casino licensee's annual assessment made under
15 **this** section. ~~12a.~~

16 (9) The ~~funds~~**money** collected under this section and deposited
17 in the state services fee fund ~~shall~~**does** not revert to the general
18 fund at the close of the fiscal year but ~~shall remain~~**remains** in
19 the fund.

20 Sec. 14. Within ~~30~~**90** days after the end ~~of each quarter of~~
21 each fiscal year each casino licensee shall transmit to the board
22 and to the city **in which the licensee's casino is located** an audit
23 of the financial condition of the licensee's total operations. ~~All~~
24 ~~audits shall~~**An audit under this section must** be conducted by a
25 certified public accountant in a manner and form prescribed by the
26 board. ~~Each~~**The** certified public accountant ~~shall~~**that performs the**
27 **audit must** be registered in ~~the~~**this** state ~~of Michigan~~ under
28 article 7 of the occupational code, 1980 PA 299, MCL ~~339.701 to~~
29 ~~339.715.~~**339.720 to 339.736.** The **licensee shall pay the**



1 compensation for ~~each~~**the** certified public accountant ~~shall be paid~~
 2 directly ~~by the licensee~~ to the certified public accountant.

3 Sec. 18. (1) A person is guilty of a felony punishable by
 4 imprisonment for not more than 10 years or a fine of not more than
 5 \$100,000.00, or both, and ~~shall be~~**is** barred from receiving or
 6 maintaining a license **under this act** for doing any of the
 7 following:

8 (a) Conducting a gambling operation ~~where~~**in which** wagering is
 9 used or to be used without a license issued by the board.

10 (b) Conducting a gambling operation ~~where~~**in which** wagering is
 11 permitted other than in the manner specified in section 9.

12 (c) Knowingly making a false statement on an application for
 13 ~~any~~**a** license ~~provided in~~**under** this act or a written document
 14 provided under oath in support of a proposal for a development
 15 agreement.

16 (d) Knowingly providing false testimony to the board or its
 17 authorized representative while under oath.

18 (e) Willfully failing to report, pay, or truthfully account
 19 for ~~any~~**a** license fee or tax imposed by this act or willfully
 20 ~~attempt~~**attempting** in any way to evade or defeat the license fee,
 21 tax, or payment. A person convicted under this ~~subsection shall~~
 22 **subdivision is** also ~~be~~ subject to a penalty of 3 times the amount
 23 of the licensee fee or tax not paid.

24 ~~(f) Making a political contribution in violation of section 7b~~
 25 ~~of this act.~~

26 (2) A person commits a felony punishable by imprisonment for
 27 not more than 10 years or a fine of not more than \$100,000.00, or
 28 both, and, in addition, ~~shall be~~**is** barred for life from a gambling
 29 operation under the jurisdiction of the board if the person does



1 any of the following:

2 (a) Offers, promises, or gives anything of value or benefit to
 3 a person who is connected with a licensee or affiliated company,
 4 including, but not limited to, an officer or employee of a casino
 5 licensee or holder of an occupational license pursuant to an
 6 agreement or arrangement or with the intent that the offer,
 7 promise, or thing of value or benefit will influence the actions of
 8 the person to whom the offer, promise, or gift was made in order to
 9 affect or attempt to affect the outcome of a gambling game, or to
 10 influence official action of a member of the board.

11 (b) Solicits or knowingly accepts or receives a promise of
 12 anything of value or benefit while the person is employed by or
 13 connected with a licensee, including, but not limited to, an
 14 officer or employee of a casino licensee or holder of an
 15 occupational license, pursuant to an understanding or arrangement
 16 or with the intent that the promise or thing of value or benefit
 17 will influence the actions of the person to affect or attempt to
 18 affect the outcome of a gambling game.

19 (c) Offers, promises, or gives anything of value or benefit to
 20 a member, employee, or agent of the board or an official of ~~any~~^a
 21 state or local agency or governmental body with the intent that the
 22 offer, promise, or thing of value or benefit will influence the
 23 official action of the person to whom the offer, promise, or gift
 24 was made pertaining to a city development agreement, or
 25 administering, licensing, regulating, or enforcing this act.

26 (d) Solicits or knowingly accepts or receives a promise of
 27 anything of value or benefit while the person is a member,
 28 employee, or agent of the board, or an official of any state or
 29 local agency or governmental body, pursuant to an understanding or



1 arrangement or with the intent that the promise or thing of value
 2 or benefit will influence the official action of the member,
 3 employee, or agent of the board or official of the state or local
 4 governmental body pertaining to a city development agreement, or
 5 enforcing this act.

6 (e) Except as otherwise provided by the board, uses or
 7 possesses with the intent to use a device ~~to assist in doing~~ **that**
 8 **does** any of the following:

9 (i) ~~Projecting~~ **Projects** the outcome of a gambling game.

10 (ii) ~~Keeping~~ **Keeps** track of the cards played in a gambling
 11 game.

12 (iii) ~~Analyzing~~ **Analyzes** the probability of the occurrence of an
 13 event relating to a gambling game.

14 (iv) ~~Analyzing~~ **Analyzes** the strategy for playing or betting to
 15 be used in a gambling game.

16 (f) Cheats at a gambling game.

17 (g) Manufactures, sells, or distributes cards, chips, dice, a
 18 game, or a device that is intended to be used to violate this act.

19 (h) Alters or misrepresents the outcome of a gambling game on
 20 which wagers have been made after the outcome is determined but
 21 before it is revealed to the players.

22 (i) Places a bet after acquiring knowledge, not available to
 23 all players, of the outcome of the gambling game that is the
 24 subject of the bet or to aid a person in acquiring the knowledge
 25 for the purpose of placing a bet contingent on that outcome.

26 (j) Claims, collects, takes, or attempts to claim, collect, or
 27 take money or anything of value in or from ~~the a~~ gambling ~~games,~~
 28 **game**, with intent to defraud, without having made a wager
 29 contingent on winning ~~a~~ **the** gambling game, or claims, collects, or



1 takes an amount of money or thing of value of greater value than
2 the amount won.

3 (k) Uses counterfeit chips ~~or tokens~~ in a gambling game.

4 (l) Possesses a key or device designed for the purpose of
5 opening, entering, or affecting the operation of a gambling game,
6 drop box, or an electronic or mechanical device connected with the
7 gambling game or for removing coins, ~~tokens,~~ chips, or other
8 contents of a gambling game. This subdivision does not apply to a
9 ~~gambling-casino~~ licensee or employee of a ~~gambling-casino~~ licensee
10 acting in furtherance of the employee's employment.

11 (3) A person, or an affiliate of a person, is guilty of a
12 misdemeanor punishable by imprisonment for not more than 1 year in
13 a county jail or a \$10,000.00 fine, or both, for doing any of the
14 following:

15 (a) Knowingly making a wager if the person is under 21 years
16 of age or permitting a person under 21 years **of age** to make a
17 wager.

18 (b) Willfully failing to appear before or provide an item to
19 the board at the time and place specified in a subpoena or summons
20 issued by the board or executive director.

21 (c) Willfully refusing, without just cause, to testify or
22 provide items in answer to a subpoena, subpoena duces tecum or
23 summons issued by the board or executive director.

24 (d) Conducting or permitting a person who is not licensed
25 ~~pursuant to~~ **under** this act to conduct activities required to be
26 licensed under the casino, occupational, and suppliers licensee
27 provisions in this act or in rules promulgated by the board.

28 ~~(e) Knowingly violates or aids or abets in the violation of~~
29 ~~the provisions of section 7b of this act.~~



1 (e) ~~(f)~~—Leasing, pledging, borrowing, or loaning money against
2 a casino, supplier, or occupational license.

3 (4) The possession of more than 1 of the devices described in
4 subsection (2)(e) permits a rebuttable presumption that the
5 possessor intended to use the devices for cheating.

6 (5) An action to prosecute ~~any~~**a** crime described in this
7 section may, in the discretion of the attorney general or county
8 prosecuting attorney, be tried in the county in which the crime
9 occurred or in ~~the county of~~ **Ingham County**.

10 Sec. 21. ~~When~~**If** the board is authorized or required by law to
11 consider some aspect of criminal history record information for the
12 purpose of carrying out its statutory powers and responsibilities,
13 the board shall, in the form and manner required by the department
14 of state police and the ~~federal bureau of investigation~~, **Federal**
15 **Bureau of Investigation**, cause to be conducted a criminal history
16 record investigation to obtain any information currently or
17 subsequently contained in the files of the department of state
18 police or the ~~federal bureau of investigation~~. **Federal Bureau of**
19 **Investigation**. The department of state police shall provide all
20 criminal record information requested by the board for any person
21 who is an applicant for or a holder of a license **under this act**.

22 Sec. 25. (1) The board shall create a list of disassociated
23 persons. The board shall, with the assistance of casino licensees,
24 inform each patron of the list of disassociated persons and explain
25 how the patron may add his or her name to the list.

26 (2) The board may add an individual's name to the list of
27 disassociated persons if the individual has notified the board in
28 writing of his or her pledge not to visit a casino in this state by
29 filing an application for placement on the list of disassociated



1 persons with the board.

2 (3) The board shall create and make available an application
3 for placement on the list of disassociated persons. The application
4 shall ~~must~~ include all of the following information about the
5 individual who is applying:

6 (a) Full name and all aliases.

7 (b) Physical description including height, weight, hair and
8 eye color, skin color, and any other noticeable physical
9 characteristics.

10 (c) Occupation.

11 (d) Current home and work addresses and phone numbers.

12 (e) Social ~~security~~ **Security** number.

13 (f) Date of birth.

14 (g) Statement that the individual believes he or she is a
15 problem gambler and is seeking treatment.

16 (h) A photograph suitable for the board and casino licensees
17 to use to identify the individual.

18 (i) Other information that the board considers necessary.

19 (4) An individual's name shall ~~must~~ be placed on the list of
20 disassociated persons after all of the following have occurred:

21 (a) The individual has submitted an application to be placed
22 on the list of disassociated persons to the ~~Michigan gaming control~~
23 board.

24 (b) The application has been verified by a representative of
25 the board.

26 (c) The individual has signed an affidavit in which he or she
27 affirms that he or she wishes to be placed on the list of
28 disassociated persons and authorizing the board to release the
29 contents of his or her application to all casino licensees in this



1 state.

2 (d) The individual signs a form releasing ~~the~~**this** state, ~~of~~
3 ~~Michigan,~~ the board, and the casino licensees from any injury the
4 individual suffers as a consequence of placing his or her name on
5 the list of disassociated persons.

6 (e) The individual signs a form stating that he or she
7 understands and authorizes all of the following:

8 (i) That a criminal complaint for trespassing will be filed
9 against him or her if he or she is found on the premises of a
10 casino in this state and he or she will be immediately removed from
11 the casino premises.

12 (ii) That if he or she enters a casino and wins any money, the
13 board will confiscate the winnings.

14 (5) An individual who has his or her name placed on the list
15 of disassociated persons ~~shall~~**must** remain on the list for the
16 remainder of his or her life.

17 (6) After an application has been submitted to the board, the
18 chairperson of the board shall file a notice of placement on the
19 list of disassociated persons with the board at the next closed
20 session. Information contained in an application under subsection
21 (4) is exempt from disclosure under section 4c of this act and is
22 not open for public inspection. The information ~~shall~~**must** be
23 disclosed to the board, each casino licensee in this state, the
24 department of attorney general, and the department of state police.

25 (7) The list of disassociated persons ~~shall~~**must** be provided
26 to each casino licensee, the department of attorney general, and
27 the department of state police.

28 (8) Each casino licensee in this state shall submit to the
29 board a plan for disseminating the information contained in the



1 applications for placement on the list of disassociated persons.
2 The board shall approve the plan. The plan ~~shall~~**must** be designed
3 to safeguard the confidentiality of the information but ~~shall~~**must**
4 include dissemination to all of the following:

5 (a) The general casino manager or the managerial employee who
6 has responsibility over the entire casino operations.

7 (b) All security and surveillance personnel.

8 (c) The department of state police.

9 (9) ~~A~~**Except as otherwise provided in this subsection, a**
10 casino licensee shall not extend credit, offer check cashing
11 privileges, **or** offer coupons **to, or** market its services, or send
12 advertisements to, or otherwise solicit the patronage **in the casino**
13 of, those persons whose names are on the list of disassociated
14 persons. **A casino licensee may market or advertise its services,**
15 **other than by direct mail, for the casino licensee's nongaming**
16 **amenities, such as hotels, restaurants, and event centers.**

17 (10) The casino licensee shall keep a computer record of each
18 individual whose name is on the list of disassociated persons. If a
19 casino licensee identifies a person **whose name is on the list of**
20 **disassociated persons** on the premises of a casino, the licensee
21 shall immediately notify the board, a representative of the board,
22 or a representative of the department of state police who is on the
23 premises of the casino. ~~After the licensee confirms that the~~
24 ~~individual has filed an affidavit under this section, the licensee~~
25 ~~shall do all of the following:~~

26 ~~(a) Immediately remove the individual from the casino~~
27 ~~premises.~~

28 ~~(b) Report the incident to the prosecutor for the county in~~
29 ~~which the casino is located.~~



1 (11) A casino licensee who violates this act is subject to
2 disciplinary action by the board.

3 (12) The board shall promulgate rules to implement and
4 administer this act.

5 (13) An individual who has placed his or her name on the list
6 of disassociated persons who enters a casino in this state is
7 guilty of criminal trespassing punishable by imprisonment for not
8 more than 1 year, a fine of not more than \$1,000.00, or both.

9 (14) This act does not create any right or cause of action on
10 behalf of the individual whose name is placed on the list of
11 disassociated persons against ~~the~~**this** state, ~~of Michigan,~~ the
12 board, or a casino licensee.

13 (15) Any winnings collected by the board under this act ~~shall~~
14 **must** be deposited into the compulsive gaming prevention fund.

15 Enacting section 1. Sections 7b, 8a, and 10 of the Michigan
16 gaming control and revenue act, 1996 IL 1, MCL 432.207b, 432.208a,
17 and 432.210, are repealed.

18 Enacting section 2. This amendatory act does not take effect
19 unless all of the following bills of the 100th Legislature are
20 enacted into law:

21 (a) Senate Bill No. ____ or House Bill No. ____ (request no.
22 01428'19).

23 (b) Senate Bill No. ____ or House Bill No. ____ (request no.
24 01479'19 a).

