

DEFINITION OF “OCCASION” FOR CHARITABLE GAMING

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House Bill 4431 as enacted

Public Act 92 of 2021

Sponsor: Rep. Kevin Hertel

House Committee: Regulatory Reform

Senate Committee: Regulatory Reform

Complete to 2-1-23

Analysis available at
<http://www.legislature.mi.gov>

SUMMARY:

House Bill 4431 amends the Traxler-McCauley-Law-Bowman Bingo Act, which regulates charitable gaming, to restore a previous definition of the term *occasion* for purposes of the act. Specifically, the bill changes the definition of *occasion* from “a single day for which a license to conduct games is issued” under the act to “the hours of the day for which a license is issued.”

MCL 432.103

BACKGROUND:

When 2019 PA 159 was enacted to amend the Bingo Act, it changed the definition of the term *occasion* from “the hours of the day for which a license is issued” to “a single day for which a license to conduct games is issued” under the act.

However, the definition of *occasion* in the Michigan Administrative Code, which was the same as the previous Bingo Act definition, remained unchanged.¹

Before the change made by 2019 PA 159 to this definition, and under provisions in the administrative code, qualified charities could offer multiple bingo games per day,² and halls could hold up to 14 licensed events a week.³ In addition, a charity could be licensed to conduct a bingo event and a raffle on the same day at the same location, although not at the same time.⁴

The definitional change made by 2019 PA 159 superseded those administrative code provisions. Although it appeared to be a minor clarification, it effectively restricted charities and halls from the longstanding practice of holding more than one event a day.

House Bill 4431, by restoring the earlier definition, allows the practices that were limited by 2019 PA 159 to be conducted again under the Bingo Act and departmental rules.

¹ R 432.21101(2)(o): https://www.michigan.gov/documents/cg/BSL-CG-RulesPart01_189386_7.pdf

² R 432.21305: https://www.michigan.gov/documents/cg/BSL-CG-RulesPart03_189388_7.pdf

³ R 432.22006(2): https://www.michigan.gov/documents/cg/BSL-CG-RulesPart10_189394_7.pdf

⁴ R 432.21513(5): https://www.michigan.gov/documents/cg/BSL-CG-RulesPart05_189390_7.pdf

FISCAL IMPACT:

The bill would increase charitable gaming revenues by an unknown amount due to the estimated increase in authorized games. Prior to passage of 2019 PA 159, the definition of *occasion* mirrored the language effectively proposed by HB 4431. The definitional change under 2019 PA 159 effectively reduced the number of daily games at authorized locations to one, thereby reducing charitable gaming revenues. Due to reporting lags and closures caused by the COVID-19 pandemic, an estimate of the reduction of charitable gaming revenues due to this definitional change cannot be determined with any accuracy.

After deducting Charitable Gaming Division expenses, net revenue is deposited in the state's general fund. The general fund transfer totaled \$1.9 million in FY 2019, which is the last full pre-pandemic year.

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■ This analysis was prepared by nonpartisan House Fiscal Agency staff for use by House members in their deliberations and does not constitute an official statement of legislative intent.