

MICHIGAN GAMING CONTROL AND REVENUE ACT (EXCERPT)
Initiated Law 1 of 1996

432.204a Michigan gaming control board; jurisdiction; powers.

Sec. 4a. (1) The board has jurisdiction over and shall supervise all gambling operations governed by this act. The board has all powers necessary and proper to fully and effectively execute this act, including, but not limited to, the authority to do all of the following:

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

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

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

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

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

(iii) To inspect the person, and inspect, examine, and seize personal effects present in a casino facility licensed under this act, of any holder of a license or registration issued under this act while that person is present in a licensed casino facility.

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

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

(d) Investigate alleged violations of this act or rules promulgated by the board and to take appropriate disciplinary action against a licensee or any other person, or institute appropriate legal action for enforcement, or both.

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

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

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

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

(i) Conduct investigative and contested case hearings, issue subpoenas for the attendance of witnesses and subpoenas duces tecum for the production of books, ledgers, records, memoranda, electronically retrievable data, and other pertinent documents and to administer oaths and affirmations to the witnesses to exercise and discharge the powers and duties of the board under this act. The executive director or his or her designee is also authorized to issue subpoenas and to administer oaths and affirmations to witnesses.

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

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

(l) In addition to a disassociated person, eject or exclude or authorize the ejection or exclusion of a person from a casino if the person violates this act, rules promulgated by the board, or a final order of the board or if the board determines that the person's conduct or reputation is such that his or her presence within the casino gambling facilities may compromise the honesty and integrity of the gambling operations or interfere with the orderly conduct of the gambling operations. However, the propriety of the ejection or exclusion is subject to a subsequent hearing by the board.

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

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

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

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

(ii) The failure to revoke or suspend the license would undermine the public's confidence in the gaming industry in this state.

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

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

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

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

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

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

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

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

(2) The board may seek and shall receive the cooperation and assistance of the department of state police and department of attorney general in conducting background investigations of applicants and in fulfilling its responsibilities under this act.

History: Add. 1997, Act 69, Imd. Eff. July 17, 1997;—Am. 2019, Act 158, Imd. Eff. Dec. 20, 2019.

Popular name: Proposal E