

# HOUSE BILL No. 4653

April 24, 2001, Introduced by Reps. Koetje, Julian, Birkholz, Middaugh, Ruth Johnson, Meyer, Voorhees and Jansen and referred to the Committee on Gaming and Casino Oversight.

A bill to amend 1931 PA 328, entitled  
"The Michigan penal code,"  
(MCL 750.1 to 750.568) by adding section 315b.

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

1 SEC. 315B. (1) AS USED IN THIS SECTION:

2 (A) "BET" OR "WAGER" MEANS TO DIRECTLY OR INDIRECTLY TAKE,  
3 RECEIVE, OR ACCEPT MONEY OR ANY VALUABLE THING WITH THE UNDER-  
4 STANDING OR AGREEMENT THAT THE MONEY OR VALUABLE THING WILL BE  
5 PAID OR DELIVERED TO A PERSON IF THE PAYMENT OR DELIVERY IS CON-  
6 TINGENT UPON THE RESULT OF A RACE, CONTEST, OR GAME OR UPON THE  
7 HAPPENING OF AN EVENT NOT KNOWN TO BE CERTAIN. BET OR WAGER DOES  
8 NOT INCLUDE THE PURCHASE, SALE, OR TRADE OF SECURITIES OR COMMOD-  
9 ITIES UNDER STATE OR FEDERAL LAW.

10 (B) "FINANCIAL INSTITUTION" MEANS A FINANCIAL INSTITUTION  
11 THAT IS REGULATED UNDER 1984 PA 379, MCL 493.101 TO 493.114, OR

1 THE CONSUMER FINANCIAL SERVICES ACT, 1988 PA 161, MCL 487.2051 TO  
2 487.2072, OR UNDER A FINANCIAL LICENSING ACT AS THAT TERM IS  
3 DEFINED IN SECTION 2 OF THE CONSUMER FINANCIAL SERVICES ACT, 1988  
4 PA 161, MCL 487.2052.

5 (C) "GAMBLING BUSINESS" MEANS A BUSINESS THAT IS CONDUCTED  
6 AT A GAMBLING ESTABLISHMENT OR INVOLVES THE PLACING, RECEIVING,  
7 OR MAKING OF BETS OR WAGERS OR OFFERS TO ENGAGE IN THE PLACING,  
8 RECEIVING, OR MAKING OF BETS OR WAGERS.

9 (D) "INTERNET" MEANS THE INTERNATIONAL COMPUTER NETWORK OF  
10 BOTH FEDERAL AND NONFEDERAL INTEROPERABLE PACKET SWITCHED DATA  
11 NETWORKS.

12 (E) "INTERACTIVE COMPUTER SERVICE" MEANS A SERVICE, SYSTEM,  
13 OR NETWORK OR ACCESS SOFTWARE PROVIDER THAT USES PUBLIC COMMUNI-  
14 CATION INFRASTRUCTURE OR OPERATES TO PROVIDE OR ENABLE COMPUTER  
15 ACCESS BY MULTIPLE USERS TO A COMPUTER SERVER, INCLUDING, BUT NOT  
16 LIMITED TO, A SERVICE OR SYSTEM THAT PROVIDES ACCESS TO THE  
17 INTERNET.

18 (F) "PERSON" MEANS AN INDIVIDUAL, ASSOCIATION, PARTNERSHIP,  
19 JOINT VENTURE, CORPORATION, OR FINANCIAL INSTITUTION OR A DIREC-  
20 TOR, EXECUTIVE, OR OFFICER OF AN ASSOCIATION, PARTNERSHIP, JOINT  
21 VENTURE, CORPORATION, OR FINANCIAL INSTITUTION, A POLITICAL SUB-  
22 DIVISION OF THIS STATE, OR A DEPARTMENT, AGENCY, OR INSTRUMENTAL-  
23 ITY OF THIS STATE.

24 (2) EXCEPT AS PROVIDED IN SUBSECTION (10), A PERSON ENGAGED  
25 IN A GAMBLING BUSINESS SHALL NOT USE THE INTERNET OR AN INTERAC-  
26 TIVE COMPUTER SERVICE TO BET OR WAGER OR TO OFFER TO BET OR  
27 WAGER.

1 (3) EXCEPT AS PROVIDED IN SUBSECTION (10), A PERSON SHALL  
2 NOT ESTABLISH A LOCATION OR SITE IN THIS STATE FROM WHICH TO CON-  
3 DUCT A GAMBLING BUSINESS ON OR OVER THE INTERNET OR AN INTERAC-  
4 TIVE COMPUTER SERVICE.

5 (4) EACH INDIVIDUAL BET OR WAGER MADE OR OFFERED IN VIOLA-  
6 TION OF SUBSECTION (2) OR FROM A LOCATION OR SITE THAT VIOLATES  
7 SUBSECTION (3) CONSTITUTES A SEPARATE VIOLATION.

8 (5) A PERSON WHO VIOLATES SUBSECTION (2) OR (3) IS GUILTY OF  
9 A FELONY PUNISHABLE AS FOLLOWS:

10 (A) FOR A FIRST OFFENSE, BY IMPRISONMENT FOR NOT MORE THAN 2  
11 YEARS OR A FINE OF NOT MORE THAN \$5,000.00, OR BOTH.

12 (B) FOR A SECOND OR SUBSEQUENT OFFENSE, BY IMPRISONMENT FOR  
13 NOT MORE THAN 5 YEARS OR A FINE OF NOT MORE THAN \$25,000.00, OR  
14 BOTH.

15 (6) THE ATTORNEY GENERAL OR THE PROSECUTING ATTORNEY FOR THE  
16 COUNTY IN WHICH A VIOLATION UNDER SUBSECTION (2) OR (3) OCCURRED  
17 MAY PROSECUTE THE VIOLATION.

18 (7) THE ATTORNEY GENERAL MAY NOTIFY A GAMBLING BUSINESS THAT  
19 ITS WEB SITE IS ILLEGAL IN THIS STATE AND LIST THE PENALTIES FOR  
20 VIOLATING THIS SECTION.

21 (8) THE ATTORNEY GENERAL OR PROSECUTING ATTORNEY MAY SEEK,  
22 AND THE COURT MAY ENTER, A PRELIMINARY RESTRAINING ORDER ENJOIN-  
23 ING A PERSON FROM TRANSMITTING BETS OR WAGERS OR INFORMATION TO  
24 ASSIST IN THE PLACING OF BETS OR WAGERS AS A CONDITION OF BOND  
25 PENDING TRIAL OR OTHER DISPOSITION OF THE CASE.

26 (9) IF THE PERSON IS FOUND GUILTY OR PLEADS GUILTY TO A  
27 CHARGE BROUGHT UNDER THIS SECTION, THE ATTORNEY GENERAL OR

1 PROSECUTING ATTORNEY MAY SEEK, AND THE COURT MAY ENTER, A  
2 PERMANENT INJUNCTION AGAINST THE PERSON OR GAMBLING BUSINESS  
3 ENJOINING THE PERSON OR GAMBLING BUSINESS FROM TRANSMITTING BETS  
4 OR WAGERS OR INFORMATION TO ASSIST IN THE PLACING OF BETS OR  
5 WAGERS.

6 (10) THIS SECTION DOES NOT APPLY TO ANY OF THE FOLLOWING:

7 (A) THE BUREAU OF STATE LOTTERY AND ITS AGENTS AND LICENS-  
8 EES, WHO ARE ENGAGED IN CONDUCT IN FURTHERANCE OF ACTIVITY  
9 EXPRESSLY AUTHORIZED, LICENSED, AND REGULATED UNDER THE  
10 MCCAULEY-TRAXLER-LAW-BOWMAN-MCNEELY LOTTERY ACT, 1972 PA 239,  
11 MCL 432.1 TO 432.47, INCLUDING, BUT NOT LIMITED TO, THE LAWFUL  
12 SALE OF A LOTTERY TICKET PLACED, RECEIVED, OR MADE INTERSTATE FOR  
13 A MULTISTATE LOTTERY OPERATED JOINTLY BETWEEN 2 OR MORE STATES  
14 WHERE A MULTISTATE LOTTERY IS EXPRESSLY AUTHORIZED, LICENSED, AND  
15 REGULATED UNDER STATE LAW.

16 (B) A LICENSEE UNDER THE HORSE RACING LAW OF 1995, 1995  
17 PA 279, MCL 431.301 TO 431.336, WHO IS ENGAGED IN CONDUCT IN FUR-  
18 THERANCE OF ACTIVITY EXPRESSLY AUTHORIZED, LICENSED, AND REGU-  
19 LATED UNDER THE HORSE RACING LAW OF 1995, 1995 PA 279,  
20 MCL 431.301 TO 431.336.

21 (C) A LICENSEE UNDER THE MICHIGAN GAMING CONTROL AND REVENUE  
22 ACT, THE INITIATED LAW OF 1996, MCL 432.201 TO 432.226, WHO IS  
23 ENGAGED IN CONDUCT IN FURTHERANCE OF ACTIVITY EXPRESSLY AUTHO-  
24 RIZED, LICENSED, AND REGULATED UNDER THE MICHIGAN GAMING CONTROL  
25 AND REVENUE ACT, THE INITIATED LAW OF 1996, MCL 432.201 TO  
26 432.226.

1 (D) A LICENSEE UNDER THE TRAXLER-MCCAULEY-LAW-BOWMAN BINGO  
2 ACT, 1972 PA 382, MCL 432.101 TO 432.120, WHO IS ENGAGED IN  
3 CONDUCT IN FURTHERANCE OF ACTIVITY EXPRESSLY AUTHORIZED,  
4 LICENSED, AND REGULATED UNDER THE TRAXLER-MCCAULEY-LAW-BOWMAN  
5 BINGO ACT, 1972 PA 382, MCL 432.101 TO 432.120.

6 (11) A PERSON SHALL NOT HONOR THE PAYMENT OF A WAGER OR LOSS  
7 MADE IN VIOLATION OF THIS SECTION THAT IS PAID OR IS ATTEMPTED TO  
8 BE PAID. TO FURTHER THIS OBJECTIVE, THE DEPARTMENT OF STATE  
9 POLICE SHALL MAINTAIN A LIST OF PERSONS KNOWN TO ENGAGE OR TO  
10 OFFER TO ENGAGE IN CONDUCT IN VIOLATION OF THIS SECTION AND SHALL  
11 DISTRIBUTE THE LIST TO FINANCIAL INSTITUTIONS.

12 (12) A FINANCIAL INSTITUTION THAT DECLINES TO HONOR THE PAY-  
13 MENT OF A WAGER OR LOSS AS PRESCRIBED UNDER SUBSECTION (11)  
14 SHALL, NOT LESS THAN 30 DAYS AFTER THE FINANCIAL INSTITUTION  
15 DECLINES TO HONOR THAT PAYMENT, REPORT ALL OF THE FOLLOWING TO  
16 THE ATTORNEY GENERAL:

17 (A) THE DATE OF ANY ATTEMPTED PAYMENT.

18 (B) THE AMOUNT OF ANY ATTEMPTED PAYMENT.

19 (C) THE NAME AND ADDRESS OF THE GAMBLING BUSINESS TO WHOM A  
20 PAYMENT WAS ATTEMPTED TO BE MADE.