

**SUBSTITUTE FOR
SENATE BILL NO. 35**

A bill to amend 1972 PA 382, entitled "Traxler-McCauley-Law-Bowman bingo act," by amending sections 2, 3, 3a, 4, 4a, 8, 9, 10, 11b, 12, 13, 14, 15, 16, and 19 (MCL 432.102, 432.103, 432.103a, 432.104, 432.104a, 432.108, 432.109, 432.110, 432.111b, 432.112, 432.113, 432.114, 432.115, 432.116, and 432.119), sections 2 and 9 as amended by 2008 PA 401, sections 3, 4a, and 12 as amended by 2012 PA 189, sections 3a, 8, 10, and 11b as amended by 2006 PA 427, sections 4, 13, 14, 15, and 16 as amended by 1999 PA 108, and section 19 as amended by 1995 PA 263, by designating sections 1 to 20 as article 1, and by adding article 2; and to repeal acts and parts of acts.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 **ARTICLE 1**

2 Sec. 2. As used in this act:

1 (a) "Active service" and "active state service" mean those
2 terms as defined in section 105 of the Michigan military act, 1967
3 PA 150, MCL 32.505.

4 (b) "Advertising" means all printed matter, handouts, flyers,
5 radio **BROADCASTS**, television **BROADCASTS**, ~~advertising signs,~~
6 billboards, and other media used to promote an event. ~~licensed~~
7 ~~under this act.~~

8 (c) "Bingo" means a game of chance commonly known as bingo in
9 which prizes are awarded on the basis of designated numbers or
10 symbols conforming to numbers or symbols selected at random.

11 **(D) "BOARD" MEANS THE MICHIGAN GAMING CONTROL BOARD CREATED BY**
12 **SECTION 4 OF THE MICHIGAN GAMING CONTROL AND REVENUE ACT, 1996 IL**
13 **1, MCL 432.204.**

14 **(E)** ~~(d)~~ "Bureau" means the bureau of state lottery as created
15 by section 5 of the McCauley-Traxler-Law-Bowman-McNeely lottery
16 act, 1972 PA 239, MCL 432.5.

17 **(F)** ~~(e)~~ "Charity game" means the random resale of a series of
18 charity game tickets.

19 **(G)** ~~(f)~~ "Charity game ticket" means a ticket commonly referred
20 to as a break-open ticket or pull-tab that is approved and acquired
21 by the bureau and is distributed and sold by the bureau or a
22 ~~licensed~~ supplier to a qualified organization, a portion of which
23 is removed to discover whether the ticket is a winning ticket. ~~and~~
24 ~~whether the purchaser may be awarded a prize.~~

25 **(H)** ~~(g)~~ "Commissioner" means the commissioner of state lottery
26 appointed under section 7 of the McCauley-Traxler-Law-Bowman-
27 McNeely lottery act, 1972 PA 239, MCL 432.7.

1 (I) ~~(h)~~—"Coverall pattern" means a pattern required to win a
2 bingo game in which all numbers on a bingo card are required to be
3 called.

4 (J) "EDUCATIONAL ORGANIZATION" MEANS AN ORGANIZATION IN THIS
5 STATE THAT IS ORGANIZED NOT FOR PECUNIARY PROFIT, WHOSE PRIMARY
6 PURPOSE IS EDUCATIONAL IN NATURE AND DESIGNED TO DEVELOP THE
7 CAPABILITIES OF INDIVIDUALS BY INSTRUCTION IN ANY PUBLIC OR PRIVATE
8 ELEMENTARY OR SECONDARY SCHOOL THAT COMPLIES WITH THE REVISED
9 SCHOOL CODE, 1976 PA 451, MCL 380.1 TO 380.1852, OR ANY PRIVATE OR
10 PUBLIC COLLEGE OR UNIVERSITY THAT IS ORGANIZED NOT FOR PECUNIARY
11 PROFIT AND THAT IS APPROVED BY THE STATE BOARD OF EDUCATION.

12 (K) "EQUIPMENT" MEANS THE OBJECTS AND MECHANICAL,
13 ELECTROMECHANICAL, OR ELECTRONIC DEVICES USED TO DETERMINE OR
14 ASSIST IN DETERMINING THE WINNERS OF PRIZES AT AN EVENT.

15 (l) "EVENT" MEANS, IN ARTICLE 1, AN OCCASION OF BINGO GAMES, A
16 RAFFLE, A CHARITY GAME, OR A NUMERAL GAME CONDUCTED UNDER A LICENSE
17 ISSUED UNDER ARTICLE 1, AND IN ARTICLE 2, AN OCCASION OF A
18 MILLIONAIRE PARTY CONDUCTED UNDER A LICENSE ISSUED UNDER ARTICLE 2.

19 (M) "EXECUTIVE DIRECTOR" MEANS THE EXECUTIVE DIRECTOR OF THE
20 BOARD, APPOINTED UNDER SECTION 4 OF THE MICHIGAN GAMING CONTROL AND
21 REVENUE ACT, 1996 IL 1, MCL 432.204.

22 (N) "FRATERNAL ORGANIZATION" MEANS AN ORGANIZATION IN THIS
23 STATE, OTHER THAN A COLLEGE FRATERNITY OR SORORITY, THAT MEETS ALL
24 OF THE FOLLOWING CRITERIA:

25 (i) IS ORGANIZED NOT FOR PECUNIARY PROFIT.

26 (ii) IS A BRANCH, LODGE, OR CHAPTER OF A NATIONAL OR STATE
27 ORGANIZATION OR, ONLY FOR THE PURPOSE OF CONDUCTING A SMALL RAFFLE

1 OR A LARGE RAFFLE UNDER THIS ACT, IF NOT A BRANCH, LODGE, OR
2 CHAPTER OF A NATIONAL OR STATE ORGANIZATION, IS EXEMPT FROM
3 TAXATION UNDER SECTION 501(C) OF THE INTERNAL REVENUE CODE OF 1986,
4 26 USC 501.

5 (iii) EXISTS FOR THE COMMON PURPOSE, BROTHERHOOD, OR OTHER
6 INTERESTS OF ITS MEMBERS.

7 Sec. 3. As used in this act:

8 ~~—— (a) "Educational organization" means an organization within
9 this state that is organized not for pecuniary profit, whose
10 primary purpose is educational in nature and designed to develop
11 the capabilities of individuals by instruction in any public or
12 private elementary or secondary school that complies with the
13 revised school code, 1976 PA 451, MCL 380.1 to 380.1852, or any
14 private or public college or university that is organized not for
15 pecuniary profit and that is approved by the state board of
16 education.~~

17 ~~—— (b) "Fraternal organization" means an organization within this
18 state, other than a college fraternity or sorority, that meets all
19 of the following criteria:~~

20 ~~—— (i) Is organized not for pecuniary profit.~~

21 ~~—— (ii) Is a branch, lodge, or chapter of a national or state
22 organization or, only for the purpose of conducting a small raffle
23 or a large raffle under this act, if not a branch, lodge, or
24 chapter of a national or state organization, is exempt from
25 taxation under section 501(c) of the internal revenue code of 1986,
26 26 USC 501.~~

27 ~~—— (iii) Exists for the common purpose, brotherhood, or other~~

1 ~~interests of its members.~~

2 (A) "LARGE BINGO" MEANS A SERIES OF BINGO OCCASIONS THAT OCCUR
3 ON A REGULAR BASIS DURING WHICH THE TOTAL VALUE OF ALL PRIZES
4 AWARDED FOR BINGO GAMES AT A SINGLE OCCASION DOES NOT EXCEED
5 \$3,500.00 AND THE TOTAL VALUE OF ALL PRIZES AWARDED FOR 1 BINGO
6 GAME DOES NOT EXCEED \$1,100.00, EXCEPT THAT A PRIZE AWARDED THROUGH
7 A MICHIGAN PROGRESSIVE JACKPOT BINGO GAME IS NOT SUBJECT TO THESE
8 LIMITATIONS.

9 (B) "LARGE RAFFLE" MEANS AN EVENT WHERE THE TOTAL VALUE OF ALL
10 PRIZES AWARDED THROUGH RAFFLE DRAWINGS EXCEEDS \$500.00 PER
11 OCCASION.

12 (c) "Licensee" means a person, ~~or~~ INCLUDING A qualified
13 organization, licensed under this act.

14 (D) "LOCATION" MEANS A BUILDING, ENCLOSURE, PART OF A BUILDING
15 OR ENCLOSURE, OR A DISTINCT PORTION OF REAL PROPERTY THAT IS USED
16 FOR THE PURPOSE OF CONDUCTING AN EVENT. LOCATION INCLUDES ALL
17 COMPONENTS OR BUILDINGS THAT COMPOSE 1 ARCHITECTURAL ENTITY OR THAT
18 SERVE A UNIFIED FUNCTIONAL PURPOSE.

19 (E) "MANUFACTURER" MEANS A PERSON LICENSED UNDER SECTION 11C
20 WHO MANUFACTURES NUMERAL GAME TICKETS FOR SALE TO SUPPLIERS FOR USE
21 IN AN EVENT.

22 (F) ~~(d)~~ "Member" means an individual who qualified for
23 membership in a qualified organization under its bylaws, articles
24 of incorporation, charter, rules, or other written statement.

25 (G) ~~(e)~~ "Michigan national guard" and "military" mean those
26 terms as defined in section 105 of the Michigan military act, 1967
27 PA 150, MCL 32.505.

1 ~~—— (f) "Person" means a natural person, firm, association,~~
2 ~~corporation, or other legal entity.~~

3 ~~—— (g) "Qualified organization" means, subject to subdivision~~
4 ~~(h), either of the following:~~

5 ~~—— (i) A bona fide religious, educational, service, senior~~
6 ~~citizens, fraternal, or veterans' organization that operates~~
7 ~~without profit to its members and that either has been in existence~~
8 ~~continuously as an organization for a period of 5 years or is~~
9 ~~exempt from taxation under section 501(c) of the internal revenue~~
10 ~~code of 1986, 26 USC 501.~~

11 ~~—— (ii) Only for the purpose of conducting a small raffle or a~~
12 ~~large raffle under this act, a component of the military or the~~
13 ~~Michigan national guard whose members are in active service or~~
14 ~~active state service.~~

15 ~~—— (h) "Qualified organization" does not include a candidate~~
16 ~~committee, political committee, political party committee, ballot~~
17 ~~question committee, independent committee, or any other committee~~
18 ~~as defined by, and organized under, the Michigan campaign finance~~
19 ~~act, 1976 PA 388, MCL 169.201 to 169.282.~~

20 ~~—— (i) "Religious organization" means any of the following:~~

21 ~~—— (i) An organization, church, body of communicants, or group~~
22 ~~that is organized not for pecuniary profit and that gathers in~~
23 ~~common membership for mutual support and edification in piety,~~
24 ~~worship, and religious observances.~~

25 ~~—— (ii) A society of individuals that is organized not for~~
26 ~~pecuniary profit and that unites for religious purposes at a~~
27 ~~definite place.~~

1 ~~—— (iii) A church related private school that is organized not~~
2 ~~for pecuniary profit.~~

3 ~~—— (j) "Senior citizens organization" means an organization~~
4 ~~within this state that is organized not for pecuniary profit, that~~
5 ~~consists of at least 15 members who are 60 years of age or older,~~
6 ~~and that exists for their mutual support and for the advancement of~~
7 ~~the causes of elderly or retired persons.~~

8 ~~—— (k) "Service organization" means either of the following:~~

9 ~~—— (i) A branch, lodge, or chapter of a national or state~~
10 ~~organization that is organized not for pecuniary profit and that is~~
11 ~~authorized by its written constitution, charter, articles of~~
12 ~~incorporation, or bylaws to engage in a fraternal, civic, or~~
13 ~~service purpose within the state.~~

14 ~~—— (ii) A local civic organization that is organized not for~~
15 ~~pecuniary profit; that is not affiliated with a state or national~~
16 ~~organization; that is recognized by resolution adopted by the local~~
17 ~~governmental subdivision in which the organization conducts its~~
18 ~~principal activities; whose constitution, charter, articles of~~
19 ~~incorporation, or bylaws contain a provision for the perpetuation~~
20 ~~of the organization as a nonprofit organization; whose entire~~
21 ~~assets are used for charitable purposes; and whose constitution,~~
22 ~~charter, articles of incorporation, or bylaws contain a provision~~
23 ~~that all assets, real property, and personal property shall revert~~
24 ~~to the benefit of the local governmental subdivision that granted~~
25 ~~the resolution upon dissolution of the organization.~~

26 ~~—— (l) "Veterans' organization" means an organization within this~~
27 ~~state, or a branch, lodge, or chapter within this state of a state~~

1 ~~organization or of a national organization chartered by the~~
2 ~~congress of the United States, that is organized not for pecuniary~~
3 ~~profit, the membership of which consists of individuals who were~~
4 ~~members of the armed services or armed forces of the United States.~~
5 ~~Veterans' organization includes an auxiliary of a veterans'~~
6 ~~organization that is a national organization chartered by the~~
7 ~~congress of the United States.~~

8 (H) "MICHIGAN PROGRESSIVE JACKPOT" MEANS A BINGO GAME
9 CONDUCTED IN CONJUNCTION WITH A LICENSED LARGE BINGO OCCASION IN
10 WHICH THE VALUE OF THE PRIZE IS CARRIED FORWARD TO THE NEXT BINGO
11 OCCASION IF NO PLAYER WINS IN A PREDETERMINED NUMBER OF ALLOWABLE
12 CALLS. MICHIGAN PROGRESSIVE JACKPOT MAY INCLUDE BINGO GAMES
13 CONDUCTED BY MORE THAN 1 LICENSEE THAT ARE LINKED TOGETHER FOR THE
14 PURPOSE OF A COMMON JACKPOT PRIZE AND CONSOLATION PRIZE AS
15 PRESCRIBED BY THE COMMISSIONER.

16 (I) "MILLIONAIRE PARTY" MEANS AN EVENT AT WHICH WAGERS ARE
17 PLACED ON GAMES OF CHANCE CUSTOMARILY ASSOCIATED WITH A GAMBLING
18 CASINO THROUGH THE USE OF IMITATION MONEY OR CHIPS THAT HAVE A
19 NOMINAL VALUE EQUAL TO OR GREATER THAN THE VALUE OF THE CURRENCY
20 FOR WHICH THEY CAN BE EXCHANGED.

21 (J) "NUMERAL GAME" MEANS THE RANDOM RESALE OF A SERIES OF
22 NUMERAL GAME TICKETS.

23 (K) "NUMERAL GAME TICKET" MEANS A PAPER STRIP ON WHICH
24 PREPRINTED NUMERALS ARE COVERED BY FOLDING THE STRIP AND BANDING
25 THE FOLDED STRIP WITH A SEPARATE PIECE OF PAPER, SO THAT ON
26 BREAKING THE PAPER THAT BANDS THE FOLDING STRIP THE PURCHASER
27 DISCOVERS WHETHER THE TICKET IS A WINNING TICKET.

1 **(I) "OCCASION" MEANS A SINGLE DAY FOR WHICH A LICENSE TO**
2 **CONDUCT GAMES IS ISSUED UNDER THIS ACT.**

3 Sec. 3a. ~~(1) "Equipment" means the objects and mechanical or~~
4 ~~electromechanical devices used to determine or assist in~~
5 ~~determining the winners of prizes at events licensed under this~~
6 ~~act.~~

7 ~~(2) "Event" means each occasion of a bingo, millionaire party,~~
8 ~~raffle, charity game, or numeral game licensed under this act.~~

9 ~~(3) "Large bingo" means a series of bingo occasions that occur~~
10 ~~on a regular basis during which the total value of all prizes~~
11 ~~awarded through bingo at a single occasion does not exceed~~
12 ~~\$3,500.00 and the total value of all prizes awarded for 1 game does~~
13 ~~not exceed \$1,100.00, except that a prize awarded through a~~
14 ~~Michigan progressive jackpot bingo game is not subject to these~~
15 ~~limitations.~~

16 ~~(4) "Large raffle" means an event where the total value of all~~
17 ~~prizes awarded through raffle drawings exceed \$500.00 per occasion.~~

18 ~~(5) "Location" means a building, enclosure, part of a building~~
19 ~~or enclosure, or a distinct portion of real estate that is used for~~
20 ~~the purpose of conducting events licensed under this act. Location~~
21 ~~also means all components or buildings that comprise 1~~
22 ~~architectural entity or that serve a unified functional purpose.~~

23 ~~(6) "Manufacturer" means a person licensed under section 11e~~
24 ~~who manufactures numeral game tickets for sale to suppliers for use~~
25 ~~in an event.~~

26 ~~(7) "Michigan progressive jackpot" means a bingo game~~
27 ~~conducted in conjunction with a licensed large bingo occasion,~~

1 ~~where the value of the prize is carried forward to the next bingo~~
 2 ~~occasion if no player bingos in a predetermined number of allowable~~
 3 ~~calls. Michigan progressive jackpot may include bingo games~~
 4 ~~conducted by more than 1 licensee that are linked together for the~~
 5 ~~purpose of a common jackpot prize and consolation prize as~~
 6 ~~prescribed by the commissioner.~~

7 ~~—— (8) "Millionaire party" means an event at which wagers are~~
 8 ~~placed upon games of chance customarily associated with a gambling~~
 9 ~~casino through the use of imitation money or chips that have a~~
 10 ~~nominal value equal to or greater than the value of the currency~~
 11 ~~for which they can be exchanged.~~

12 ~~—— (9) "Numeral game" means the random resale of a series of~~
 13 ~~numeral game tickets by a qualified organization under a numeral~~
 14 ~~game license or in conjunction with a licensed millionaire party or~~
 15 ~~large raffle.~~

16 ~~—— (10) "Numeral game ticket" means a paper strip on which~~
 17 ~~preprinted numerals are covered by folding the strip and banding~~
 18 ~~the folded strip with a separate piece of paper, if upon breaking~~
 19 ~~the paper strip that bands the ticket, the purchaser discovers~~
 20 ~~whether the ticket is a winning ticket and the purchaser may be~~
 21 ~~awarded a merchandise prize.~~

22 ~~—— (11) "Occasion" means the hours of the day for which a license~~
 23 ~~is issued.~~ **AS USED IN THIS ACT:**

24 **(A) "PERSON" MEANS AN INDIVIDUAL, FIRM, ASSOCIATION,**
 25 **CORPORATION, OR OTHER LEGAL ENTITY.**

26 **(B) ~~(12)~~"Principal officer" means the highest ranking officer**
 27 **of the qualified organization according to its written**

1 constitution, charter, articles of incorporation, or bylaws.

2 (C) ~~(13)~~ "Prize" means anything of value, including, but not
3 limited to, money or merchandise that is given to a player for
4 attending or winning a game at an event. A nonmonetary item is
5 valued at its retail value. Prize does not include advertising
6 material given away by a qualified organization in accordance with
7 rules promulgated under this act.

8 ~~—— (14) "Single gathering" means 1 scheduled assembly or meeting
9 with a specified beginning and ending time that is conducted or
10 sponsored by the qualified organization. Single gathering does not
11 include the regular operating hours of a club or similar facility
12 and does not include a meeting conducted solely for the purpose of
13 conducting a raffle.~~

14 (D) "QUALIFIED ORGANIZATION" MEANS, SUBJECT TO SUBDIVISION

15 (E), EITHER OF THE FOLLOWING:

16 (i) A BONA FIDE RELIGIOUS, EDUCATIONAL, SERVICE, SENIOR
17 CITIZENS, FRATERNAL, OR VETERANS' ORGANIZATION THAT OPERATES
18 WITHOUT PROFIT TO ITS MEMBERS AND THAT EITHER HAS BEEN IN EXISTENCE
19 CONTINUOUSLY AS AN ORGANIZATION FOR A PERIOD OF 5 YEARS OR IS
20 EXEMPT FROM TAXATION UNDER SECTION 501(C) OF THE INTERNAL REVENUE
21 CODE OF 1986, 26 USC 501(C).

22 (ii) ONLY FOR THE PURPOSE OF CONDUCTING A SMALL RAFFLE OR A
23 LARGE RAFFLE UNDER THIS ACT, A COMPONENT OF THE MILITARY OR THE
24 MICHIGAN NATIONAL GUARD WHOSE MEMBERS ARE IN ACTIVE SERVICE OR
25 ACTIVE STATE SERVICE.

26 (E) "QUALIFIED ORGANIZATION" DOES NOT INCLUDE A CANDIDATE
27 COMMITTEE, POLITICAL COMMITTEE, POLITICAL PARTY COMMITTEE, BALLOT

1 QUESTION COMMITTEE, INDEPENDENT COMMITTEE, OR ANY OTHER COMMITTEE
2 AS DEFINED BY, AND ORGANIZED UNDER, THE MICHIGAN CAMPAIGN FINANCE
3 ACT, 1976 PA 388, MCL 169.201 TO 169.282.

4 (F) "RAFFLE" MEANS AN EVENT FOR WHICH RAFFLE TICKETS ARE SOLD
5 AND AT WHICH A WINNER OR WINNERS ARE DETERMINED, EITHER BY RANDOMLY
6 SELECTING STUBS FROM ALL OF THE RAFFLE TICKETS SOLD FOR AN EVENT OR
7 BY AN ALTERNATIVE METHOD THAT IS APPROVED IN WRITING BY THE BUREAU,
8 AND A PREANNOUNCED PRIZE IS AWARDED.

9 (G) "RELIGIOUS ORGANIZATION" MEANS ANY OF THE FOLLOWING:

10 (i) AN ORGANIZATION, CHURCH, BODY OF COMMICANTS, OR GROUP IN
11 THIS STATE THAT IS ORGANIZED NOT FOR PECUNIARY PROFIT AND THAT
12 GATHERS IN COMMON MEMBERSHIP FOR MUTUAL SUPPORT AND EDIFICATION IN
13 PIETY, WORSHIP, AND RELIGIOUS OBSERVANCES.

14 (ii) A SOCIETY OF INDIVIDUALS IN THIS STATE THAT IS ORGANIZED
15 NOT FOR PECUNIARY PROFIT AND THAT UNITES FOR RELIGIOUS PURPOSES AT
16 A DEFINITE PLACE.

17 (iii) A CHURCH-RELATED PRIVATE SCHOOL IN THIS STATE THAT IS
18 ORGANIZED NOT FOR PECUNIARY PROFIT.

19 (H) "SENIOR CITIZENS ORGANIZATION" MEANS AN ORGANIZATION IN
20 THIS STATE THAT IS ORGANIZED NOT FOR PECUNIARY PROFIT, THAT
21 CONSISTS OF AT LEAST 15 MEMBERS WHO ARE 60 YEARS OF AGE OR OLDER,
22 AND THAT EXISTS FOR THEIR MUTUAL SUPPORT AND FOR THE ADVANCEMENT OF
23 THE CAUSES OF ELDERLY OR RETIRED PERSONS.

24 (I) "SERVICE ORGANIZATION" MEANS EITHER OF THE FOLLOWING:

25 (i) A BRANCH, LODGE, OR CHAPTER IN THIS STATE OF A NATIONAL OR
26 STATE ORGANIZATION THAT IS ORGANIZED NOT FOR PECUNIARY PROFIT AND
27 THAT IS AUTHORIZED BY ITS WRITTEN CONSTITUTION, CHARTER, ARTICLES

1 OF INCORPORATION, OR BYLAWS TO ENGAGE IN A FRATERNAL, CIVIC, OR
2 SERVICE PURPOSE IN THIS STATE.

3 (ii) A LOCAL CIVIC ORGANIZATION IN THIS STATE THAT IS
4 ORGANIZED NOT FOR PECUNIARY PROFIT; THAT IS NOT AFFILIATED WITH A
5 STATE OR NATIONAL ORGANIZATION; THAT IS RECOGNIZED BY RESOLUTION
6 ADOPTED BY THE LOCAL GOVERNMENTAL SUBDIVISION IN WHICH THE
7 ORGANIZATION CONDUCTS ITS PRINCIPAL ACTIVITIES; WHOSE CONSTITUTION,
8 CHARTER, ARTICLES OF INCORPORATION, OR BYLAWS CONTAIN A PROVISION
9 FOR THE PERPETUATION OF THE ORGANIZATION AS A NONPROFIT
10 ORGANIZATION; WHOSE ENTIRE ASSETS ARE USED FOR CHARITABLE PURPOSES;
11 AND WHOSE CONSTITUTION, CHARTER, ARTICLES OF INCORPORATION, OR
12 BYLAWS CONTAIN A PROVISION THAT ALL ASSETS, REAL PROPERTY, AND
13 PERSONAL PROPERTY MUST REVERT TO THE BENEFIT OF THE LOCAL
14 GOVERNMENTAL SUBDIVISION THAT GRANTED THE RESOLUTION OR ANOTHER
15 NONPROFIT ORGANIZATION ON DISSOLUTION OF THE ORGANIZATION.

16 (J) ~~(15)~~ "Small bingo" means a series of bingo occasions that
17 occur on a regular basis during which the total value of all prizes
18 awarded ~~through~~ **FOR** bingo **GAMES** at a single occasion does not
19 exceed \$300.00 and the total value of all prizes awarded for a
20 single bingo game does not exceed \$25.00.

21 (K) ~~(16)~~ "Small raffle" means an event during which the total
22 value of all prizes awarded through raffle drawings does not exceed
23 \$500.00 during 1 occasion.

24 (I) ~~(17)~~ "Special bingo" means a single or consecutive series
25 of bingo occasions during which the total value of all prizes
26 awarded ~~through~~ **FOR** bingo **GAMES** at a single occasion does not
27 exceed \$3,500.00 and the total value of all prizes awarded for a

1 single bingo game does not exceed \$1,100.00.

2 (M) ~~(18)~~—"Supplier" means a person licensed under this act to
3 rent, sell, or lease equipment or to sell charity game or numeral
4 game tickets to qualified organizations licensed under this act.

5 (N) "VETERANS' ORGANIZATION" MEANS AN ORGANIZATION IN THIS
6 STATE, OR A BRANCH, LODGE, OR CHAPTER IN THIS STATE OF A STATE
7 ORGANIZATION OR OF A NATIONAL ORGANIZATION CHARTERED BY THE
8 CONGRESS OF THE UNITED STATES, THAT IS ORGANIZED NOT FOR PECUNIARY
9 PROFIT, THE MEMBERSHIP OF WHICH CONSISTS OF INDIVIDUALS WHO WERE
10 MEMBERS OF THE ARMED SERVICES OR ARMED FORCES OF THE UNITED STATES.
11 VETERANS' ORGANIZATION INCLUDES AN AUXILIARY OF A VETERANS'
12 ORGANIZATION THAT IS A NATIONAL ORGANIZATION CHARTERED BY THE
13 CONGRESS OF THE UNITED STATES.

14 Sec. 4. (1) ~~Each~~ **AN** applicant for a license to conduct a
15 bingo, ~~millionaire party,~~ raffle, charity game, or numeral game
16 **EVENT** shall submit to the bureau a written application on a form
17 prescribed by the commissioner.

18 (2) The application ~~shall~~ **UNDER SUBSECTION (1) MUST** include
19 all of the following:

20 (a) The name and address of the applicant organization.

21 (b) The name and address of each officer of the applicant
22 organization.

23 (c) The location at which the applicant will conduct the
24 event.

25 (d) The day or dates of the event.

26 (e) The member or members of the applicant organization who
27 will be responsible for the conduct of the event.

1 (f) Sufficient facts relating to the applicant's incorporation
 2 or organization to enable the commissioner to determine whether the
 3 applicant is a qualified organization.

4 (g) A sworn statement attesting to the nonprofit status of the
 5 applicant organization, signed by the principal officer of ~~that~~**THE**
 6 organization.

7 (h) Other information the commissioner considers necessary.

8 Sec. 4a. (1) Except as provided in subsections (2) and (3), if
 9 the commissioner determines that ~~the~~**AN** applicant **UNDER SECTION 4**
 10 is a qualified organization, ~~and~~ is not ineligible under section
 11 18, and ~~the applicant~~ has paid to the bureau the appropriate fee,
 12 the commissioner may issue 1 or more of the following licenses:

13	<u>License</u>	<u>Fee</u>
14	(a) Large bingo.....	\$ 150.00
15	(b) Small bingo.....	\$ 55.00
16	(c) Special bingo.....	\$ 25.00
17	(d) Millionaire party.....	\$ 50.00 per day
18	(D) (e) Large raffle.....	\$ 50.00 per
19		drawing date
20	(E) (f) Small raffle:	
21	(i) One to 3 drawing dates.....	\$ 15.00
22	(ii) Four or more drawing dates.....	\$ 5.00 per
23		drawing date
24	(F) (g) Annual charity game.....	\$ 200.00
25	(G) (h) Special charity game.....	\$ 15.00 per day
26	(H) (i) Numeral game.....	\$ 15.00 per day

1 (2) Under extreme hardship conditions as determined by the
2 commissioner, the commissioner may waive 1 or more requirements ~~of~~
3 **FOR A PERSON TO BE** a qualified organization ~~described in section 3~~
4 **UNDER SECTION 3A(D)** to permit the licensing of a special bingo ~~7~~
5 ~~millionaire party,~~ or raffle **EVENT**, if all of the following
6 conditions are met:

7 (a) The organization applying for the license is a nonprofit
8 organization.

9 (b) The entire proceeds of the event, less the actual
10 reasonable expense of conducting the event, are donated or used for
11 a charitable purpose, organization, or cause.

12 (c) None of the individuals connected with the conduct of the
13 event is compensated in any manner for his or her participation.

14 (d) The organization complies with all other **APPLICABLE**
15 provisions of this ~~act~~-**ARTICLE** and rules promulgated under this
16 ~~act~~-**ARTICLE**.

17 (3) Under extreme hardship conditions as determined by the
18 commissioner, the commissioner may allow an individual or a group
19 of individuals to obtain a license to conduct a special bingo ~~7~~
20 ~~millionaire party,~~ **EVENT** or raffle if all of the following
21 conditions are met:

22 (a) The entire proceeds of the event, less the actual
23 reasonable expense of conducting the event, are donated or used for
24 a charitable purpose, organization, or cause.

25 (b) None of the individuals connected with the conduct of the
26 event is compensated in any manner for his or her participation.

27 (c) The individual or group of individuals complies with all

1 other **APPLICABLE** provisions of this ~~act~~ **ARTICLE** and the rules
2 promulgated under this ~~act~~ **ARTICLE**.

3 (4) Each event license issued to a qualified organization
4 **UNDER THIS SECTION** is valid for only the location included on the
5 license.

6 (5) A license **ISSUED UNDER THIS SECTION** is not assignable or
7 transferable.

8 (6) ~~The~~ ~~A~~ licensee ~~is responsible for ensuring~~ **SHALL ENSURE**
9 that the events **CONDUCTED UNDER A LICENSE ISSUED UNDER THIS SECTION**
10 are conducted in compliance with **THE APPLICABLE PROVISIONS OF** this
11 ~~act~~ **ARTICLE** and rules **PROMULGATED UNDER THIS ARTICLE**.

12 (7) ~~A~~ **EXCEPT AS OTHERWISE PROVIDED IN THIS SECTION, A** licensee
13 shall only conduct events licensed under this ~~act~~ **SECTION** during
14 the hours and on the ~~day and~~ date or dates stated on the license.

15 (8) In connection with an application for a small raffle
16 license or a large raffle license, in determining whether a
17 fraternal organization that is not a branch, lodge, or chapter of a
18 national or state organization is a qualified organization, the
19 commissioner shall only consider whether the organization meets
20 requirements that are applicable under this ~~act~~ **ARTICLE** that are
21 unrelated to whether the organization is a branch, lodge, or
22 chapter of a national or state organization.

23 Sec. 8. (1) All fees and revenue collected by the commissioner
24 or bureau under this act ~~shall~~ **MUST** be paid into the state lottery
25 fund **CREATED UNDER SECTION 41 OF THE MCCAULEY-TRAXLER-LAW-BOWMAN-**
26 **MCNEELY LOTTERY ACT, 1972 PA 239, MCL 432.41**. All necessary
27 expenses incurred by the bureau in the administration and

1 enforcement of any activity authorized by this act and in the
2 initiation, implementation, and ongoing operation of any activity
3 authorized by this act ~~shall~~**MUST** be financed from the state
4 lottery fund.

5 **(2) ALL FEES AND REVENUE COLLECTED BY THE EXECUTIVE DIRECTOR**
6 **OR BOARD UNDER THIS ACT MUST BE PAID INTO THE STATE LOTTERY FUND**
7 **CREATED UNDER SECTION 41 OF THE MCCAULEY-TRAXLER-LAW-BOWMAN-MCNEELY**
8 **LOTTERY ACT, 1972 PA 239, MCL 432.41. ALL NECESSARY EXPENSES**
9 **INCURRED BY THE EXECUTIVE DIRECTOR OR BOARD IN THE ADMINISTRATION**
10 **AND ENFORCEMENT OF ANY ACTIVITY AUTHORIZED BY THIS ACT AND IN THE**
11 **INITIATION, IMPLEMENTATION, AND ONGOING OPERATION OF ANY ACTIVITY**
12 **AUTHORIZED BY THIS ACT MUST BE FINANCED FROM THE STATE LOTTERY**
13 **FUND.**

14 **(3) The amount of ~~these~~necessary expenses ~~shall~~****INCURRED**
15 **UNDER SUBSECTIONS (1) AND (2) MUST** not exceed the amount of
16 revenues received from the sale of charity game tickets and all
17 fees collected under this act. At the end of each fiscal year all
18 money, including interest, in the state lottery fund ~~which~~**THAT** is
19 attributable to fees and revenue collected under this act but ~~which~~
20 **THAT** has not been expended under this section ~~shall~~**MUST** be
21 deposited in the state general fund.

22 Sec. 9. (1) Except as provided in subsection (2), the entire
23 net proceeds of an event ~~shall~~**CONDUCTED UNDER A LICENSE ISSUED**
24 **UNDER THIS ARTICLE MUST** be devoted exclusively to the lawful
25 purposes of the licensee. A licensee shall not incur or pay an item
26 of expense in connection with ~~the~~holding, operating, or conducting
27 ~~of~~an event except the following expenses in ~~reasonable~~amounts

1 **THAT THE COMMISSIONER DETERMINES TO BE REASONABLE:**

2 (a) The purchase or rental of equipment necessary for
3 conducting an event and payment of services reasonably necessary
4 for the repair of equipment.

5 (b) Cash prizes or the purchase of prizes of merchandise.

6 (c) Rental of the location at which the event is conducted.

7 (d) Janitorial services.

8 (e) The fee required for issuance or reissuance of a license
9 to conduct the event.

10 (f) Other reasonable expenses incurred by the licensee, not
11 inconsistent with this ~~act~~, **ARTICLE**, as permitted by rule of the
12 commissioner.

13 (2) A qualified organization described in section ~~3(g)(ii)~~
14 **3A(D)(ii)** shall use the entire net proceeds of an event, after
15 paying items of expense incurred in reasonable amounts in
16 connection with the holding, operating, or conducting of the event
17 and listed in subsection (1), only for the expense of training or
18 purchasing goods or services for the support of the activities of
19 the component.

20 Sec. 10. (1) Only a member of the qualified organization shall
21 participate in the management of an event.

22 (2) A person shall not receive any commission, salary, pay,
23 profit, or wage for participating in the management or operation of
24 **A bingo EVENT**, ~~a millionaire party~~, a raffle, or a charity game
25 except as provided by rule promulgated under this ~~act~~. **ARTICLE**.

26 (3) Except by special permission of the commissioner, a
27 licensee shall conduct bingo ~~or a millionaire party~~ **GAMES** only with

1 equipment that it owns, uses under a bureau-approved rental
2 contract, or is purchasing or renting at a reasonable rate from a
3 supplier.

4 (4) A licensee shall not advertise **A** bingo **EVENT** except to the
5 extent and in the manner permitted by rule promulgated under this
6 act. **ARTICLE**. If the commissioner permits a licensee to advertise **A**
7 bingo **EVENT**, the licensee shall indicate in the advertisement the
8 purposes for which the net proceeds will be used by the licensee.

9 ~~(5) The holder of a millionaire party license shall not~~
10 ~~advertise the event, except to the extent and in the manner~~
11 ~~permitted by rule promulgated under this act. If the commissioner~~
12 ~~permits a licensee to advertise the event, the licensee shall~~
13 ~~indicate in the advertising the purposes for which the net proceeds~~
14 ~~will be used by the licensee.~~

15 Sec. 11b. (1) ~~Each~~**AN** applicant for a license or renewal of a
16 license to operate as a supplier of equipment, charity game
17 tickets, or numeral game tickets to qualified organizations
18 licensed under this act shall submit a written application to the
19 bureau on a form prescribed by the commissioner.

20 (2) ~~The~~**AN** applicant **UNDER THIS SECTION** shall pay an annual
21 license fee of \$300.00 at the time of the application.

22 (3) A supplier's license **ISSUED UNDER THIS SECTION** expires at
23 12 midnight on September 30 of each year.

24 (4) The commissioner shall require suppliers authorized to
25 sell charity game tickets, numeral game tickets, or both, to post a
26 performance bond of not less than \$50,000.00 and not greater than
27 \$1,000,000.00.

1 (5) A supplier shall remit to the bureau an amount equal to
2 the qualified organization's purchase price of the charity game
3 tickets less an amount that shall not be less than the sum of \$.008
4 for each ticket sold plus 1.0% of the total resale value for all
5 charity game tickets sold.

6 (6) For each numeral game sold, the supplier shall issue to
7 the licensed organization an invoice listing the manufacturer and
8 serial number of each game.

9 (7) ~~The~~ **A SUPPLIER SHALL COLLECT A** fee collected by a supplier
10 from ~~the~~ **A** qualified organization for each game of numeral tickets
11 sold ~~shall be~~ **THAT EQUALS** \$5.00 per 1,000 tickets or any portion of
12 1,000 tickets.

13 (8) ~~The~~ **A SUPPLIER SHALL REMIT THE** fees collected by the
14 ~~supplier for each numeral game sold shall be remitted~~ **UNDER**
15 **SUBSECTION (7)** to the bureau by the fifteenth day of the month
16 following the month in which the numeral game is sold. ~~A~~ **THE**
17 **COMMISSIONER MAY ASSESS A** late fee of 25% of the amount due ~~may be~~
18 ~~assessed by the commissioner against any~~ **A** supplier who fails to
19 remit the fees by the required filing date.

20 (9) A supplier shall only display, offer for sale, sell, or
21 otherwise make available to a qualified organization numeral game
22 tickets that have been obtained from a manufacturer.

23 (10) A person who is directly or indirectly connected to the
24 sale, rental, or distribution of bingo ~~or millionaire party~~
25 equipment, or the sale of charity game tickets or numeral game
26 tickets, or a person residing in the same household as the supplier
27 shall not be involved directly or indirectly with the rental or

1 leasing of a facility used for an event.

2 (11) A supplier **LICENSED UNDER THIS SECTION** shall submit to
3 the bureau a report as required by the commissioner regarding the
4 sale or rental of equipment and the sale of charity game tickets
5 and numeral game tickets.

6 Sec. 12. (1) The bureau shall enforce and supervise the
7 administration of this ~~act.~~ **ARTICLE**. The commissioner shall employ
8 personnel as necessary to implement this ~~act.~~ **ARTICLE**.

9 (2) The bureau may select fraternal organizations that are not
10 a branch, lodge, or chapter of a national or state organization to
11 audit to ensure that the organizations are in compliance with this
12 ~~act.~~ **ARTICLE**.

13 Sec. 13. The commissioner shall promulgate rules pursuant to
14 the administrative procedures act of 1969, 1969 PA 306, MCL 24.201
15 to 24.328, to implement this ~~act.~~ **ARTICLE**.

16 Sec. 14. (1) ~~Each~~ **A** licensee **UNDER THIS ARTICLE** shall keep a
17 record of each event as required by the commissioner. ~~The~~ **A**
18 **LICENSEE SHALL ALLOW A REPRESENTATIVE AUTHORIZED BY THE BUREAU TO**
19 **INSPECT A** record **KEPT UNDER THIS SUBSECTION** and all financial
20 accounts into which proceeds from events ~~licensed under this act~~
21 are deposited or transferred ~~shall be open to inspection by a duly~~
22 ~~authorized representative of the bureau during reasonable business~~
23 hours.

24 (2) ~~Each~~ **A** licensee **UNDER THIS ARTICLE** shall file with the
25 commissioner a financial statement signed by the principal officer
26 of the qualified organization of receipts and expenses related to
27 the conduct of each event as ~~may be~~ required by rule promulgated

1 under this act. ~~ARTICLE~~. If the revenue from a bingo, game,
 2 ~~millionaire party, raffle, numeral game, or charity game~~ **EVENT** is
 3 represented to be used or applied by a licensee **UNDER THIS ARTICLE**
 4 for a charitable purpose, the licensee shall file a copy of the
 5 financial statement with the attorney general under the supervision
 6 of trustees for charitable purposes act, 1961 PA 101, MCL 14.251 to
 7 14.266.

8 (3) ~~The~~ **A LICENSEE UNDER THIS ARTICLE SHALL ALLOW AN**
 9 **AUTHORIZED REPRESENTATIVE OF THE BUREAU OR THE DEPARTMENT OF STATE**
 10 **POLICE OR A LAW ENFORCEMENT OFFICER OF A POLITICAL SUBDIVISION OF**
 11 **THIS STATE TO INSPECT THE** location at which events licensed under
 12 this act are conducted or at which an applicant or licensee intends
 13 to conduct an event licensed under this act shall be open to
 14 inspection at all times by a duly authorized representative of the
 15 bureau or by the state police or a peace officer of a political
 16 subdivision of this state. **OR AN INTENDED LOCATION DURING BUSINESS**
 17 **HOURS.**

18 Sec. 15. ~~Annually the~~ **THE** commissioner shall report **ANNUALLY**
 19 to the governor and the legislature about the operation of events
 20 licensed under this act ~~within this state,~~ **ARTICLE**, abuses that the
 21 bureau may have encountered, and recommendations for changes in
 22 this act.

23 Sec. 16. (1) The commissioner may deny, suspend, summarily
 24 suspend, or revoke any ~~any~~ **A** license issued under this act ~~ARTICLE~~ if
 25 the licensee or an officer, director, agent, member, or employee of
 26 the licensee violates this act ~~ARTICLE~~ or **A** rule promulgated under
 27 this act. ~~ARTICLE~~. The commissioner may summarily suspend a license

1 for a period of not more than 60 days pending prosecution,
2 investigation, or public hearing.

3 (2) A proceeding to suspend or revoke a license ~~shall be~~
4 ~~considered~~ **UNDER THIS ARTICLE IS** a contested case ~~and shall be~~
5 governed by the administrative procedures act of 1969, 1969 PA 306,
6 MCL 24.201 to 24.328.

7 (3) ~~Upon~~ **ON** petition of the commissioner, the circuit court
8 after a hearing may issue subpoenas to compel the attendance of
9 witnesses and the production of documents, papers, books, records,
10 and other evidence before it in a matter over which it has
11 jurisdiction, control, or supervision. If a person subpoenaed to
12 attend in any such proceeding or hearing fails to obey the command
13 of the subpoena without reasonable cause, or if a person in
14 attendance in any such proceeding or hearing refuses, without
15 lawful cause, to be examined or to answer a legal or pertinent
16 question or to exhibit a book, account, record, or other document
17 when ordered to do so by the court, that person may be punished as
18 ~~a~~ **BEING IN** contempt of the court.

19 (4) With approval of the commissioner, a **BINGO** hall licensee,
20 in lieu of a suspension of its license, may elect to pay a fine
21 equal to the amount of rent that would have been paid by ~~the~~ bingo
22 licensees during the period of the suspension. ~~This~~ **THE BINGO HALL**
23 **LICENSEE SHALL PAY THIS** fine ~~shall be paid~~ to the bureau on or
24 before the date agreed to in the suspension agreement entered into
25 by the bureau and the **BINGO** hall licensee.

26 Sec. 19. (1) Except as provided in subsection (2), any other
27 law providing a penalty or disability upon a person who conducts or

1 participates in a **RAFFLE**, bingo, ~~game~~, millionaire party, or
 2 charity game; who sells or possesses equipment used in conducting **A**
 3 **RAFFLE**, bingo, or a millionaire party; who permits **A RAFFLE**, bingo,
 4 a millionaire party, or a charity game to be conducted on his or
 5 her premises; or who does other acts in connection with **A RAFFLE**,
 6 bingo, a millionaire party, or a charity game does not apply to
 7 that conduct if done ~~pursuant to~~ **UNDER** this act or rules
 8 promulgated under this act.

9 (2) Subsection (1) does not limit ~~in any way~~ the application
 10 of the Michigan campaign finance act, ~~Act No. 388 of the Public~~
 11 ~~Acts of 1976, being sections~~ **1976 PA 388, MCL 169.201 to 169.282,**
 12 ~~of the Michigan Compiled Laws,~~ including, but not limited to,
 13 section 41 of ~~Act No. 388 of the Public Acts of 1976, being section~~
 14 **THE MICHIGAN CAMPAIGN FINANCE ACT, 1976 PA 388, MCL 169.241,** ~~of the~~
 15 ~~Michigan Compiled Laws,~~ to fundraising **FUND-RAISING** events
 16 conducted by or for the benefit of a committee that has filed or is
 17 required to file a statement of organization ~~pursuant to Act No.~~
 18 ~~388 of the Public Acts of 1976.~~ **UNDER THE MICHIGAN CAMPAIGN FINANCE**
 19 **ACT, 1976 PA 388, MCL 169.201 TO 169.282.**

20 ARTICLE 2

21 SEC. 32. (1) AS USED IN THIS ARTICLE:

22 (A) "BONA FIDE MEMBER" MEANS A MEMBER WHO PARTICIPATES IN THE
 23 QUALIFIED ORGANIZATION TO FURTHER ITS LAWFUL PURPOSES AND THE
 24 SPOUSE OF SUCH A MEMBER.

25 (B) "DEALER" MEANS AN INDIVIDUAL WHO DOES ANY OF THE FOLLOWING
 26 IN A MILLIONAIRE PARTY GAME:

27 (i) PERFORMS THE ACT OF DEALING.

1 (ii) ASSISTS IN SUPERVISING THE DEALERS.

2 (iii) PROVIDES TECHNICAL ADVICE TO THE MILLIONAIRE PARTY
3 CHAIRPERSON.

4 (C) "DEMARCATED AREA" MEANS THE PHYSICAL AREA IN WHICH GAMING
5 IS CONDUCTED AT AN EVENT.

6 (D) "LAWFUL PURPOSE" MEANS A PURPOSE THAT WOULD QUALIFY AN
7 ORGANIZATION TO BE EXEMPT FROM TAXATION UNDER SECTION 501(C) (3) OF
8 THE INTERNAL REVENUE CODE OF 1986, 26 USC 501.

9 (E) "LESSOR" MEANS A PERSON WHO RENTS A LOCATION TO A
10 MILLIONAIRE PARTY LICENSEE FOR THE PURPOSE OF CONDUCTING AN EVENT.

11 (F) "LOCATION OWNER" MEANS THE PERSON THAT OWNS A LOCATION OR
12 AN EMPLOYEE OR AGENT OF THE PERSON.

13 (2) THE DEFINITIONS IN SECTIONS 2, 3, AND 3A APPLY TO THIS
14 ARTICLE, UNLESS A TERM DEFINED IN 1 OF THOSE SECTIONS IS DEFINED
15 DIFFERENTLY IN THIS ARTICLE.

16 SEC. 33. (1) AN APPLICANT FOR A LICENSE TO CONDUCT A
17 MILLIONAIRE PARTY SHALL SUBMIT TO THE EXECUTIVE DIRECTOR A WRITTEN
18 APPLICATION ON A FORM PRESCRIBED BY THE EXECUTIVE DIRECTOR.

19 (2) THE APPLICATION UNDER SUBSECTION (1) MUST INCLUDE ALL OF
20 THE FOLLOWING:

21 (A) THE NAME AND ADDRESS OF THE APPLICANT.

22 (B) THE NAME AND ADDRESS OF EACH OFFICER OF THE APPLICANT.

23 (C) THE NAME OF EACH INDIVIDUAL WHO WILL SERVE AS A DEALER AT
24 THE EVENT AND, AS TO EACH INDIVIDUAL, WHETHER THE INDIVIDUAL HAS
25 BEEN CONVICTED OF, FORFEITED BOND ON A CHARGE OF, OR PLED GUILTY TO
26 ANY OF THE FOLLOWING:

27 (i) A FELONY.

- 1 (ii) A GAMBLING OFFENSE.
- 2 (iii) CRIMINAL FRAUD.
- 3 (iv) FORGERY.
- 4 (v) LARCENY.
- 5 (vi) FILING A FALSE REPORT WITH A GOVERNMENTAL AGENCY.
- 6 (D) THE LOCATION AT WHICH THE APPLICANT WILL CONDUCT THE
- 7 EVENT.
- 8 (E) A DESCRIPTION OF THE DEMARCATED AREA FOR THE EVENT AND AN
- 9 EXPLANATION OF HOW THE DEMARCATED AREA WILL BE MARKED.
- 10 (F) THE DATES OF THE EVENT.
- 11 (G) SUFFICIENT FACTS RELATING TO THE APPLICANT'S INCORPORATION
- 12 OR ORGANIZATION TO ENABLE THE EXECUTIVE DIRECTOR TO DETERMINE
- 13 WHETHER THE APPLICANT IS A QUALIFIED ORGANIZATION.
- 14 (H) A SWORN STATEMENT ATTESTING TO THE NONPROFIT STATUS OF THE
- 15 APPLICANT, SIGNED BY THE PRINCIPAL OFFICER OF THE APPLICANT.
- 16 (I) OTHER INFORMATION THE EXECUTIVE DIRECTOR CONSIDERS
- 17 NECESSARY.
- 18 SEC. 34. (1) IF THE EXECUTIVE DIRECTOR DETERMINES THAT AN
- 19 APPLICANT FOR A MILLIONAIRE PARTY LICENSE IS A QUALIFIED
- 20 ORGANIZATION AND THAT BOTH OF THE FOLLOWING APPLY, THE EXECUTIVE
- 21 DIRECTOR SHALL ISSUE A MILLIONAIRE PARTY LICENSE TO THE APPLICANT:
- 22 (A) THE APPLICANT HAS PAID TO THE EXECUTIVE DIRECTOR A FEE OF
- 23 \$50.00 PER DAY THAT THE APPLICANT PROPOSES TO CONDUCT THE
- 24 MILLIONAIRE PARTY.
- 25 (B) THERE IS NO REASON TO DENY THE ISSUANCE OF THE LICENSE
- 26 UNDER SECTION 18.
- 27 (2) UNDER EXTREME HARDSHIP CONDITIONS AS DETERMINED BY THE

1 EXECUTIVE DIRECTOR, THE EXECUTIVE DIRECTOR MAY WAIVE 1 OR MORE OF
2 THE REQUIREMENTS UNDER SECTION 3A(D) FOR A PERSON TO BE A QUALIFIED
3 ORGANIZATION AND ISSUE A MILLIONAIRE PARTY LICENSE TO THE PERSON IF
4 ALL OF THE FOLLOWING CONDITIONS ARE MET:

5 (A) THE PERSON IS A NONPROFIT ORGANIZATION.

6 (B) THE ENTIRE PROCEEDS OF THE EVENT, LESS THE ACTUAL
7 REASONABLE EXPENSE OF CONDUCTING THE EVENT, ARE DONATED OR USED FOR
8 A LAWFUL PURPOSE OR A CHARITABLE ORGANIZATION OR CAUSE.

9 (C) NONE OF THE INDIVIDUALS CONNECTED WITH THE MANAGEMENT OF
10 THE EVENT IS COMPENSATED IN ANY MANNER FOR HIS OR HER
11 PARTICIPATION.

12 (D) THE PERSON HAS COMPLIED AND WILL COMPLY WITH ALL OTHER
13 PROVISIONS OF THIS ARTICLE AND RULES PROMULGATED UNDER THIS
14 ARTICLE.

15 (3) UNDER EXTREME HARDSHIP CONDITIONS AS DETERMINED BY THE
16 EXECUTIVE DIRECTOR, THE EXECUTIVE DIRECTOR MAY ALLOW AN INDIVIDUAL
17 OR A GROUP OF INDIVIDUALS TO OBTAIN A LICENSE TO CONDUCT A
18 MILLIONAIRE PARTY IF ALL OF THE FOLLOWING CONDITIONS ARE MET:

19 (A) THE ENTIRE PROCEEDS OF THE EVENT, LESS THE ACTUAL
20 REASONABLE EXPENSE OF CONDUCTING THE EVENT, ARE DONATED OR USED FOR
21 A LAWFUL PURPOSE OR A CHARITABLE ORGANIZATION OR CAUSE.

22 (B) NONE OF THE INDIVIDUALS CONNECTED WITH THE MANAGEMENT OF
23 THE EVENT IS COMPENSATED IN ANY MANNER FOR HIS OR HER
24 PARTICIPATION.

25 (C) THE INDIVIDUAL OR GROUP OF INDIVIDUALS HAS COMPLIED AND
26 WILL COMPLY WITH ALL OTHER PROVISIONS OF THIS ARTICLE AND THE RULES
27 PROMULGATED UNDER THIS ARTICLE.

1 (4) A QUALIFIED ORGANIZATION MAY BE ISSUED UP TO 4 MILLIONAIRE
2 PARTY LICENSES IN 1 CALENDAR YEAR. EACH LICENSE IS VALID FOR ONLY 1
3 LOCATION AS STATED ON THE LICENSE.

4 (5) A MILLIONAIRE PARTY LICENSE MAY BE ISSUED FOR UP TO 4
5 CONSECUTIVE DAYS.

6 (6) THE EXECUTIVE DIRECTOR SHALL NOT ISSUE MORE THAN 1
7 MILLIONAIRE PARTY LICENSE TO A QUALIFIED ORGANIZATION FOR ANY 1
8 DAY.

9 (7) THE EXECUTIVE DIRECTOR SHALL NOT ISSUE MILLIONAIRE PARTY
10 LICENSES THAT WOULD ALLOW MORE THAN 2 EVENTS TO BE CONDUCTED AT A
11 LOCATION ON THE SAME DATE.

12 (8) THE EXECUTIVE DIRECTOR SHALL NOT ISSUE MILLIONAIRE PARTY
13 LICENSES THAT WOULD ALLOW MORE THAN 4 EVENTS TO BE CONDUCTED AT A
14 LOCATION IN 1 WEEK.

15 (9) A MILLIONAIRE PARTY LICENSE MUST STATE THAT FOR EACH DAY
16 ON WHICH THE MILLIONAIRE PARTY IS TO BE CONDUCTED, THE LICENSEE MAY
17 CONDUCT GAMING UNDER THE LICENSE BETWEEN THE HOURS OF 8 A.M. ON
18 THAT DAY AND 2 A.M. ON THE FOLLOWING DAY.

19 SEC. 35. (1) A MILLIONAIRE PARTY LICENSEE SHALL COMPLY WITH
20 THIS ARTICLE AND THE RULES PROMULGATED UNDER THIS ARTICLE.

21 (2) A MILLIONAIRE PARTY LICENSEE SHALL COMPLY WITH THE TERMS
22 AND REQUIREMENTS OF THE LICENSE.

23 (3) A MILLIONAIRE PARTY LICENSE IS NOT ASSIGNABLE OR
24 TRANSFERRABLE, AND A LICENSEE SHALL NOT ASSIGN OR TRANSFER A
25 MILLIONAIRE PARTY LICENSE.

26 SEC. 36. (1) A MILLIONAIRE PARTY LICENSEE MAY ADVERTISE THE
27 EVENT IF THE ADVERTISING COMPLIES WITH RULES PROMULGATED UNDER THIS

1 ARTICLE.

2 (2) AN ADVERTISEMENT UNDER THIS SECTION MUST STATE THE
3 PURPOSES FOR WHICH THE PROCEEDS FROM THE EVENT WILL BE USED.

4 SEC. 37. (1) A MILLIONAIRE PARTY LICENSEE SHALL NOT ENTER INTO
5 AN AGREEMENT WITH A LOCATION OWNER OR LESSOR UNLESS THE AGREEMENT
6 IS EXPRESSED IN A WRITTEN RENTAL AGREEMENT THAT IS APPROVED BY THE
7 EXECUTIVE DIRECTOR.

8 (2) A LOCATION OWNER OR LESSOR, A PARTNER, MEMBER, DIRECTOR,
9 OFFICER, AGENT, OR EMPLOYEE OF A LOCATION OWNER OR LESSOR, A
10 SHAREHOLDER OF A PRIVATELY HELD CORPORATION THAT IS A LOCATION
11 OWNER OR LESSOR, OR A PERSON RESIDING IN THE SAME HOUSEHOLD AS ANY
12 OF THESE SHALL NOT DO ANY OF THE FOLLOWING:

13 (A) BE AN OFFICER OF A QUALIFIED ORGANIZATION CONDUCTING A
14 MILLIONAIRE PARTY AT THE LOCATION.

15 (B) PARTICIPATE AS A PLAYER IN ANY EVENT BEING CONDUCTED AT
16 THE LOCATION.

17 (C) PARTICIPATE IN ANY ASPECT OF AN EVENT BEING CONDUCTED AT
18 THE LOCATION, INCLUDING PROVIDING DEALERS, EQUIPMENT, OR WORKERS,
19 UNLESS ALL OF THE FOLLOWING CONDITIONS EXIST:

20 (i) THE LOCATION IS OWNED OR RENTED BY A QUALIFIED
21 ORGANIZATION AND USED BY THE QUALIFIED ORGANIZATION ON A CONTINUAL
22 BASIS FOR THE REGULAR USE OF ITS MEMBERS.

23 (ii) THE QUALIFIED ORGANIZATION IS THE MILLIONAIRE PARTY
24 LICENSEE AND IS CONDUCTING THE EVENT.

25 (iii) THE EXECUTIVE DIRECTOR HAS GRANTED A WAIVER FOR THE
26 PARTICIPATION.

27 SEC. 38. A MILLIONAIRE PARTY LICENSEE SHALL ONLY CONDUCT AN

1 EVENT WITH EQUIPMENT THAT IT OWNS, RENTS FROM ANOTHER QUALIFIED
2 ORGANIZATION UNDER A RENTAL AGREEMENT APPROVED BY THE EXECUTIVE
3 DIRECTOR, OR PURCHASES OR RENTS FROM A SUPPLIER.

4 SEC. 39. (1) A MILLIONAIRE PARTY LICENSEE SHALL USE ONLY THE
5 FOLLOWING AS DEALERS AT AN EVENT:

6 (A) A BONA FIDE MEMBER.

7 (B) AN EMPLOYEE OF A SUPPLIER.

8 (2) AN INDIVIDUAL SHALL NOT ACT AS A DEALER IF THE INDIVIDUAL
9 HAS BEEN CONVICTED OF, FORFEITED BOND ON A CHARGE OF, OR PLED
10 GUILTY TO ANY OF THE FOLLOWING OFFENSES:

11 (A) A FELONY.

12 (B) A GAMBLING OFFENSE.

13 (C) CRIMINAL FRAUD.

14 (D) FORGERY.

15 (E) LARCENY.

16 (F) FILING A FALSE REPORT WITH A GOVERNMENTAL AGENCY.

17 (3) AN INDIVIDUAL WHO IS NOT LISTED AS A DEALER ON THE
18 APPLICATION FOR A MILLIONAIRE PARTY LICENSE SHALL NOT ACT AS A
19 DEALER AT AN EVENT CONDUCTED UNDER THE LICENSE.

20 (4) A MILLIONAIRE PARTY LICENSEE SHALL ENSURE THAT THE DEALERS
21 AT AN EVENT CONDUCTED UNDER THE LICENSE COMPLY WITH THIS ARTICLE,
22 RULES PROMULGATED UNDER THIS ARTICLE, AND ANY DIRECTIVES OF THE
23 EXECUTIVE DIRECTOR.

24 SEC. 40. (1) AT LEAST 2 BONA FIDE MEMBERS OF THE MILLIONAIRE
25 PARTY LICENSEE, NOT INCLUDING ANY BONA FIDE MEMBER ACTING AS A
26 DEALER, MUST BE PRESENT AT ALL TIMES DURING AN EVENT.

27 (2) IF FEWER THAN 2 BONA FIDE MEMBERS ARE PRESENT AT ANY TIME

1 DURING AN EVENT, THE MILLIONAIRE PARTY LICENSEE SHALL IMMEDIATELY
2 REPORT THIS TO THE EXECUTIVE DIRECTOR. THE EXECUTIVE DIRECTOR MAY
3 REQUIRE THE LICENSEE TO STOP CONDUCTING THE EVENT.

4 (3) ONE OF THE BONA FIDE MEMBERS LISTED ON THE APPLICATION FOR
5 THE MILLIONAIRE PARTY LICENSE SHALL ACT AS THE MILLIONAIRE PARTY
6 CHAIRPERSON. AN INDIVIDUAL SHALL NOT SERVE AS CHAIRPERSON OF
7 MILLIONAIRE PARTIES CONDUCTED BY MORE THAN 1 QUALIFIED ORGANIZATION
8 DURING A CALENDAR YEAR.

9 (4) A BONA FIDE MEMBER OF A MILLIONAIRE PARTY LICENSEE WHO IS
10 PRESENT AT THE EVENT SHALL WEAR A VEST, BUTTON, OR OTHER
11 DISTINCTIVE APPAREL TO IDENTIFY THE BONA FIDE MEMBER AS A MEMBER OF
12 THE MILLIONAIRE PARTY LICENSEE AND AS NOT BEING AN EMPLOYEE OR
13 AGENT OF THE LOCATION OWNER, LESSOR, OR SUPPLIER.

14 (5) UNLESS PERMITTED BY THIS ACT, A RULE PROMULGATED UNDER
15 THIS ARTICLE, OR WRITTEN AUTHORIZATION OF THE EXECUTIVE DIRECTOR,
16 ONLY A BONA FIDE MEMBER OF THE MILLIONAIRE PARTY LICENSEE MAY
17 PERFORM ANY OF THE FOLLOWING DUTIES AT AN EVENT CONDUCTED UNDER THE
18 LICENSE:

19 (A) MONITORING A GAME OR VERIFYING THAT THE GAME IS CONDUCTED
20 IN CONFORMANCE WITH THE RULES OF THE GAME.

21 (B) VERIFYING THE AGE OF A PLAYER.

22 (6) A BONA FIDE MEMBER OF A MILLIONAIRE PARTY LICENSEE SHALL
23 NOT PLAY A GAME AT AN EVENT AT WHICH THE BONA FIDE MEMBER IS
24 WORKING OR ASSISTING.

25 (7) A BONA FIDE MEMBER OF A MILLIONAIRE PARTY LICENSEE SHALL
26 NOT SHARE IN A PRIZE AWARDED AT AN EVENT AT WHICH THE BONA FIDE
27 MEMBER IS WORKING OR ASSISTING.

1 (8) A BONA FIDE MEMBER OF A MILLIONAIRE PARTY LICENSEE SHALL
2 NOT PURCHASE, PLAY, OR ACCEPT A CHARITY GAME TICKET OR NUMERAL GAME
3 TICKET OFFERED FOR SALE BY THE LICENSEE AT AN EVENT AT WHICH THE
4 BONA FIDE MEMBER IS WORKING OR ASSISTING.

5 (9) A BONA FIDE MEMBER OF A MILLIONAIRE PARTY LICENSEE SHALL
6 NOT SPLIT A PRIZE WITH A PLAYER OR ACCEPT A TIP OF ANY KIND AT AN
7 EVENT CONDUCTED UNDER THE LICENSE, UNLESS THE TIP IS A CASH TIP
8 GIVEN TO THE BONA FIDE MEMBER FOR SERVING AS A DEALER AT THE EVENT.

9 SEC. 41. (1) A MILLIONAIRE PARTY LICENSEE SHALL ENSURE THAT AN
10 EVENT CONDUCTED UNDER THE LICENSE IS CONDUCTED IN COMPLIANCE WITH
11 THIS ARTICLE AND THE RULES PROMULGATED UNDER THIS ARTICLE.

12 (2) A MILLIONAIRE PARTY LICENSEE SHALL POST THE LICENSE SO
13 THAT IT IS CONSPICUOUSLY VISIBLE AT THE LOCATION WHERE THE EVENT IS
14 BEING CONDUCTED AT ALL TIMES DURING THE EVENT.

15 (3) A MILLIONAIRE PARTY LICENSEE SHALL NOT CONDUCT GAMING
16 UNDER THE LICENSE ANYWHERE OUTSIDE OF THE DEMARCATED AREA APPROVED
17 BY THE EXECUTIVE DIRECTOR.

18 (4) A MILLIONAIRE PARTY LICENSEE SHALL ENSURE THAT ACCESS TO
19 THE DEMARCATED AREA IS CONTROLLED.

20 (5) A MILLIONAIRE PARTY LICENSEE SHALL NOT ALLOW AN INDIVIDUAL
21 WHO IS LESS THAN 18 YEARS OLD TO ENTER THE DEMARCATED AREA WHEN
22 GAMING IS BEING CONDUCTED THERE.

23 (6) IF ALCOHOLIC BEVERAGES ARE SERVED AT AN EVENT, AN
24 INDIVIDUAL IN THE DEMARCATED AREA WHO IS 18 YEARS OLD OR OLDER BUT
25 LESS THAN 21 YEARS OLD MUST BE IDENTIFIED BY WEARING A MARK
26 INDICATING THAT A MEMBER OR AGENT OF THE MILLIONAIRE PARTY LICENSEE
27 HAS VERIFIED THE INDIVIDUAL'S AGE AND IDENTIFICATION.

1 (7) A MILLIONAIRE PARTY LICENSEE SHALL NOT ALLOW WAGERING AT
2 AN EVENT HELD UNDER THE LICENSE OTHER THAN WAGERING ON A GAME OF
3 CHANCE THAT TAKES PLACE AT THE LOCATION DURING THE EVENT. THE
4 LICENSEE SHALL NOT ALLOW A WAGER TO BE PLACED AT THE EVENT ON AN
5 ATHLETIC EVENT OR A GAME INVOLVING PERSONAL SKILL.

6 (8) A MILLIONAIRE PARTY LICENSEE SHALL NOT RECEIVE MORE THAN
7 \$20,000.00 IN EXCHANGE FOR IMITATION MONEY OR CHIPS ON ANY DAY
8 UNDER THE LICENSE. HOWEVER, IF THE LICENSEE CONDUCTS THE
9 MILLIONAIRE PARTY WITHOUT USING DEALERS FROM A SUPPLIER AND OWNS
10 THE LOCATION AT WHICH THE MILLIONAIRE PARTY IS HELD AND IF THE
11 LICENSE IS FOR FEWER THAN 4 DAYS OF GAMING, THE DAILY LIMIT UNDER
12 THIS SUBSECTION IS DETERMINED BY DIVIDING \$80,000.00 BY THE NUMBER
13 OF DAYS OF GAMING ALLOWED UNDER THE LICENSE.

14 (9) A MILLIONAIRE PARTY LICENSEE MAY CONDUCT A CHARITY GAME AS
15 PROVIDED IN SECTION 7B AND MAY CONDUCT A NUMERAL GAME AS PROVIDED
16 IN SECTION 7C. IF A MILLIONAIRE PARTY LICENSEE CONDUCTS A CHARITY
17 GAME OR A NUMERAL GAME, THE BUREAU HAS SOLE ENFORCEMENT AND
18 SUPERVISION AUTHORITY OVER THE CONDUCT OF THE GAME, AS PROVIDED IN
19 ARTICLE 1.

20 SEC. 42. (1) A MILLIONAIRE PARTY LICENSEE SHALL NOT PAY AN
21 EXPENSE RELATED TO AN EVENT UNLESS ALL OF THE FOLLOWING APPLY:

22 (A) THE EXPENSE IS INCURRED IN CONNECTION WITH THE CONDUCT OF
23 THE EVENT.

24 (B) THE EXPENSE IS NECESSARY AND REASONABLE AND FALLS INTO 1
25 OF THE FOLLOWING CATEGORIES OF EXPENSE:

26 (i) THE PURCHASE OR RENTAL OF EQUIPMENT NECESSARY FOR
27 CONDUCTING THE EVENT AND PAYMENT OF SERVICES REASONABLY NECESSARY

1 FOR THE REPAIR OF EQUIPMENT.

2 (ii) CASH PRIZES OR THE PURCHASE OF PRIZES OF MERCHANDISE.

3 (iii) RENTAL OF THE LOCATION AT WHICH THE EVENT IS CONDUCTED.

4 (iv) JANITORIAL SERVICES.

5 (v) THE FEE REQUIRED FOR ISSUANCE OR REISSUANCE OF A LICENSE
6 TO CONDUCT THE EVENT.

7 (vi) OTHER REASONABLE EXPENSES INCURRED BY THE LICENSEE, NOT
8 INCONSISTENT WITH THIS ACT, AS PERMITTED BY RULE PROMULGATED UNDER
9 THIS ARTICLE.

10 (C) THE EXPENSE IS ITEMIZED.

11 (D) THE EXPENSE IS APPROVED BY THE EXECUTIVE DIRECTOR IN
12 WRITING BEFORE THE EVENT.

13 (2) A MILLIONAIRE PARTY LICENSEE SHALL NOT ACCEPT ANY
14 COMPENSATION IN CONNECTION WITH AN EVENT UNLESS THE COMPENSATION IS
15 EXPRESSLY AUTHORIZED BY THIS ARTICLE OR A RULE PROMULGATED UNDER
16 THIS ARTICLE.

17 (3) A MILLIONAIRE PARTY LICENSEE SHALL NOT EXPEND MORE THAN
18 45% OF THE GROSS PROFIT FROM AN EVENT TO PAY EXPENSES INCURRED IN
19 CONNECTION WITH THE EVENT.

20 (4) A PERSON SHALL NOT ACCEPT ANY COMMISSION, SALARY, PAY,
21 PROFIT, OR WAGE FOR PARTICIPATING IN THE MANAGEMENT OR OPERATION OF
22 A MILLIONAIRE PARTY EXCEPT AS ALLOWED UNDER A RULE PROMULGATED
23 UNDER THIS ARTICLE.

24 SEC. 43. (1) A MILLIONAIRE PARTY LICENSEE SHALL KEEP A RECORD
25 OF EACH EVENT AS REQUIRED BY THE EXECUTIVE DIRECTOR.

26 (2) THE MILLIONAIRE PARTY LICENSEE SHALL ALLOW AN AUTHORIZED
27 REPRESENTATIVE OF THE EXECUTIVE DIRECTOR TO INSPECT DURING

1 REASONABLE BUSINESS HOURS A RECORD KEPT UNDER SUBSECTION (1) AND
2 ALL FINANCIAL ACCOUNTS INTO WHICH PROCEEDS FROM THE EVENT ARE
3 DEPOSITED OR TRANSFERRED.

4 (3) A MILLIONAIRE PARTY LICENSEE SHALL FILE WITH THE EXECUTIVE
5 DIRECTOR A FINANCIAL STATEMENT SIGNED BY THE PRINCIPAL OFFICER OF
6 THE QUALIFIED ORGANIZATION. THE FINANCIAL STATEMENT MUST CONTAIN A
7 LIST OF THE QUALIFIED MEMBERS OF THE MILLIONAIRE PARTY LICENSEE WHO
8 WERE PRESENT AS TO EACH EVENT AND A DISCLOSURE OF RECEIPTS AND
9 EXPENSES RELATED TO THE CONDUCT OF EACH EVENT AS REQUIRED BY RULE
10 PROMULGATED UNDER THIS ARTICLE. IF THE REVENUE FROM A MILLIONAIRE
11 PARTY IS REPRESENTED TO BE USED OR APPLIED BY A MILLIONAIRE PARTY
12 LICENSEE FOR A CHARITABLE PURPOSE, THE LICENSEE SHALL FILE A COPY
13 OF THE FINANCIAL STATEMENT WITH THE ATTORNEY GENERAL UNDER THE
14 SUPERVISION OF TRUSTEES FOR CHARITABLE PURPOSES ACT, 1961 PA 101,
15 MCL 14.251 TO 14.266.

16 (4) A MILLIONAIRE PARTY LICENSEE AND A LOCATION OWNER OR
17 LESSEE SHALL ALLOW AN AUTHORIZED REPRESENTATIVE OF THE EXECUTIVE
18 DIRECTOR OR THE STATE POLICE OR A PEACE OFFICER OF A POLITICAL
19 SUBDIVISION IN WHICH THE EVENT IS BEING CONDUCTED TO INSPECT THE
20 LOCATION, OR AN INTENDED LOCATION, DURING BUSINESS HOURS.

21 SEC. 46. (1) A PERSON THAT APPLIES FOR A LICENSE OR RENEWAL OF
22 A LICENSE TO OPERATE AS A SUPPLIER TO MILLIONAIRE PARTY LICENSEES
23 SHALL SUBMIT A WRITTEN APPLICATION TO THE EXECUTIVE DIRECTOR ON A
24 FORM PRESCRIBED BY THE EXECUTIVE DIRECTOR.

25 (2) AN APPLICANT UNDER THIS SECTION SHALL PAY AN ANNUAL
26 LICENSE FEE OF \$300.00 AT THE TIME OF THE APPLICATION.

27 (3) IF AN APPLICANT UNDER THIS SECTION WISHES TO PROVIDE

1 DEALERS TO MILLIONAIRE PARTY LICENSEES, THE APPLICANT SHALL INCLUDE
2 WITH ITS APPLICATION A LIST CONTAINING THE NAME OF EACH INDIVIDUAL
3 WHO WILL WORK FOR THE APPLICANT AS A DEALER AT MILLIONAIRE PARTIES
4 AND, AS TO EACH INDIVIDUAL, WHETHER THE INDIVIDUAL HAS BEEN
5 CONVICTED OF, FORFEITED BOND ON A CHARGE OF, OR PLED GUILTY TO ANY
6 OF THE FOLLOWING:

7 (A) A FELONY.

8 (B) A GAMBLING OFFENSE.

9 (C) CRIMINAL FRAUD.

10 (D) FORGERY.

11 (E) LARCENY.

12 (F) FILING A FALSE REPORT WITH A GOVERNMENTAL AGENCY.

13 (4) IF, AFTER THE APPLICATION IS SUBMITTED AS DESCRIBED IN
14 SUBSECTION (1) OR AFTER THE SUPPLIER'S LICENSE IS ISSUED, THERE ARE
15 ANY CHANGES IN THE INDIVIDUALS WHO WILL WORK FOR THE SUPPLIER AS
16 DEALERS AT MILLIONAIRE PARTIES, THE APPLICANT OR SUPPLIER SHALL
17 IMMEDIATELY PROVIDE AN UPDATED LIST CONTAINING ALL OF THE
18 INFORMATION REQUIRED UNDER SUBSECTION (3).

19 (5) A SUPPLIER LICENSED UNDER THIS SECTION SHALL SUBMIT TO THE
20 EXECUTIVE DIRECTOR REPORTS AS REQUIRED BY THE EXECUTIVE DIRECTOR
21 REGARDING THE SUPPLIER'S ACTIVITIES UNDER THIS ARTICLE.

22 (6) A SUPPLIER'S LICENSE EXPIRES AT 12 MIDNIGHT ON SEPTEMBER
23 30 OF EACH YEAR.

24 SEC. 48. (1) THE EXECUTIVE DIRECTOR SHALL ENFORCE AND
25 SUPERVISE THE ADMINISTRATION OF THIS ARTICLE. THE EXECUTIVE
26 DIRECTOR SHALL EMPLOY PERSONNEL AS NECESSARY TO IMPLEMENT THIS
27 ARTICLE.

1 (2) THE EXECUTIVE DIRECTOR MAY SELECT FRATERNAL ORGANIZATIONS
2 THAT CONDUCT MILLIONAIRE PARTIES AND THAT ARE NOT A BRANCH, LODGE,
3 OR CHAPTER OF A NATIONAL OR STATE ORGANIZATION TO AUDIT TO ENSURE
4 THAT THE ORGANIZATIONS ARE IN COMPLIANCE WITH THIS ACT.

5 SEC. 49. (1) ANY RULES PROMULGATED BY THE EXECUTIVE DIRECTOR
6 UNDER THIS ACT BEFORE THE EFFECTIVE DATE OF THE AMENDATORY ACT THAT
7 ADDED THIS ARTICLE ARE RESCINDED.

8 (2) THE EXECUTIVE DIRECTOR SHALL PROMULGATE RULES PURSUANT TO
9 THE ADMINISTRATIVE PROCEDURES ACT OF 1969, 1969 PA 306, MCL 24.201
10 TO 24.328, TO IMPLEMENT THIS ARTICLE.

11 SEC. 50. (1) THE EXECUTIVE DIRECTOR MAY DENY, SUSPEND,
12 SUMMARILY SUSPEND, OR REVOKE A LICENSE ISSUED UNDER THIS ARTICLE IF
13 THE LICENSEE OR AN OFFICER, DIRECTOR, AGENT, MEMBER, OR EMPLOYEE OF
14 THE LICENSEE VIOLATES THIS ARTICLE OR A RULE PROMULGATED UNDER THIS
15 ARTICLE. THE EXECUTIVE DIRECTOR MAY SUMMARILY SUSPEND A LICENSE FOR
16 A PERIOD OF NOT MORE THAN 60 DAYS PENDING PROSECUTION,
17 INVESTIGATION, OR PUBLIC HEARING.

18 (2) A PROCEEDING TO SUSPEND OR REVOKE A LICENSE IS A CONTESTED
19 CASE AND MUST BE CONDUCTED IN ACCORDANCE WITH THE ADMINISTRATIVE
20 PROCEDURES ACT OF 1969, 1969 PA 306, MCL 24.201 TO 24.328.

21 (3) ON PETITION OF THE EXECUTIVE DIRECTOR, THE CIRCUIT COURT
22 AFTER A HEARING MAY ISSUE SUBPOENAS TO COMPEL THE ATTENDANCE OF
23 WITNESSES AND THE PRODUCTION OF DOCUMENTS, PAPERS, BOOKS, RECORDS,
24 AND OTHER EVIDENCE BEFORE IT IN A MATTER OVER WHICH THE EXECUTIVE
25 DIRECTOR HAS JURISDICTION, CONTROL, OR SUPERVISION UNDER THIS
26 ARTICLE. IF A PERSON SUBPOENAED TO ATTEND IN ANY SUCH PROCEEDING OR
27 HEARING FAILS TO OBEY THE COMMAND OF THE SUBPOENA WITHOUT

1 REASONABLE CAUSE, OR IF A PERSON IN ATTENDANCE IN ANY SUCH
2 PROCEEDING OR HEARING REFUSES, WITHOUT LAWFUL CAUSE, TO BE EXAMINED
3 OR TO ANSWER A LEGAL OR PERTINENT QUESTION OR TO EXHIBIT A BOOK,
4 ACCOUNT, RECORD, OR OTHER DOCUMENT WHEN ORDERED TO DO SO BY THE
5 COURT, THE PERSON MAY BE PUNISHED AS BEING IN CONTEMPT OF THE
6 COURT.

7 SEC. 51. THE EXECUTIVE DIRECTOR SHALL REPORT ANNUALLY TO THE
8 GOVERNOR AND THE LEGISLATURE ABOUT THE OPERATION OF EVENTS LICENSED
9 UNDER THIS ARTICLE, ABUSES THAT THE EXECUTIVE DIRECTOR MAY HAVE
10 ENCOUNTERED, AND RECOMMENDATIONS FOR CHANGES IN THIS ACT.

11 Enacting section 1. Sections 10a, 10b, and 20 of the Traxler-
12 McCauley-Law-Bowman bingo act, 1972 PA 382, MCL 432.110a, 432.110b,
13 and 432.120, are repealed.