

**SENATE SUBSTITUTE FOR
HOUSE BILL NO. 4307**

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 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:



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

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

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

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

22 (e) "Applicant" means any person who applies for a license or
23 for registration under this act. ~~The term applicant~~ **As used** in
24 sections 4a(1)(a), 5(1), 5(2), 5(3), 5(4), 6(3), 6(4), 6(5), 6(9),
25 7a(4), 7a(5), and 7a(11) shall include ~~5(1) to (4), 6(3) to (5) and~~
26 ~~(9), and 7a(4), (5), and (11),~~ **applicant includes** an affiliate,
27 affiliated company, ~~officer,~~ director, or managerial employee of
28 the applicant **who performs the function of principal executive**
29 **officer, principal operations officer, or principal accounting**



1 **officer**, or a person who holds greater than ~~1%~~**5%** direct or
 2 indirect interest in the applicant. As used in this subdivision,
 3 affiliate and affiliated company do not include a partnership, a
 4 joint venture relationship, a co-shareholder of a corporation, a
 5 co-member of a limited liability company, or a co-partner in a
 6 limited liability partnership that has ~~less than 1%~~**5% or less**
 7 direct interest in the applicant and is not involved in the casino
 8 ~~or casino enterprise application~~ as defined in rules promulgated by
 9 the board.

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

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

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

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

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

23 (k) "Cheat" means to alter the selection of criteria ~~which~~
 24 **that** determine the result of a gambling game or the amount or
 25 frequency of payment in a gambling game, in violation of this act
 26 or rules promulgated under this act.

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

29 (i) Has a population of at least 800,000 at the time a license



1 is issued.

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

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

6 (m) "Company" means a sole proprietorship, corporation,
7 partnership, limited liability partnership, limited liability
8 company, trust, association, joint stock company, joint venture,
9 tribal corporation, or other form of business organization.

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

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

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

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

25 (iii) Participation in any business being transacted with or
26 before the board in which the member, employee, or agent of the
27 board or his or her parent, spouse, or child has a financial
28 interest.

29 (iv) Use of the position, title, or any related authority of



1 the member, employee, or agent of the board in a manner designed
2 for personal gain or benefit.

3 (v) Demonstration, through work or other action in the
4 performance of the official duties of the member, employee, or
5 agent of the board, of any preferential attitude or treatment of
6 any person.

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

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

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

15 (i) **Approval** by the city of the location of the casino. ~~+~~
16 ~~certification~~

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

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

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

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

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

25 (vii) **Employment** issues. ~~+~~ ~~compulsive~~

26 (viii) **Compulsive** gambling programs. ~~+~~ ~~insurance~~

27 (ix) **Insurance** requirements. ~~+~~ ~~conceptual~~

28 (x) **Conceptual** design approval. ~~+~~ ~~reimbursement~~



1 **(xi) Reimbursement** for predevelopment and infrastructure costs,
2 traffic engineering, and other transportation costs. ~~;~~ ~~plans~~

3 **(xii) Plans** for completion of destination attractions either
4 within or outside the casino facility and ancillary development
5 rights.

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

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

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

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

25 (ii) He or she is employed by or is an independent contractor
26 for a party to the matter under consideration or consummated by the
27 board.

28 (v) "Gambling game" means any game played with cards, dice,
29 equipment or a machine, including any mechanical, electromechanical



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

12 (w) "Gambling operation" or "**casino gambling operation**" means
13 the conduct of ~~authorized gambling games in a casino.~~ **authorized by**
14 **the board.**

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

18 (y) "Gross receipts" means the total of all sums including
19 valid or invalid checks, currency, tokens, coupons, vouchers, or
20 instruments of monetary value whether collected or uncollected,
21 received by a casino licensee from gaming, including all entry fees
22 assessed for tournaments or other contests, less a deduction for
23 uncollectible gaming receivables not to exceed the uncollectible
24 amounts owed as a result of wagers placed at or through a gambling
25 game or 4% of the total gross receipts, whichever is less. ~~The~~ **A**
26 licensee shall not receive the deduction unless the licensee
27 provides written proof to the state treasurer of the uncollected
28 gaming receivables and ~~had~~ complied with all rules promulgated by
29 the board regarding the issuance of credit and the collection of



1 amounts due under a credit extension.

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

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

23 ~~(bb) "Junket enterprise" means any person other than a casino~~
 24 ~~licensee or applicant who employs or otherwise engages in the~~
 25 ~~procurement or referral of persons who may participate in a junket~~
 26 ~~to a casino licensed under this act or casino enterprise whether or~~
 27 ~~not those activities occur within the state.~~

28 **(bb)** ~~(cc)~~ "Managerial employee" means a person who by virtue
 29 of the level of ~~their~~ **his or her** remuneration or otherwise holds a



1 management, supervisory, or policy making position with any
2 licensee under this act, a vendor, or the board.

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

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

12 (ee) ~~(ff)~~ "Person" means an individual, corporation, limited
13 liability company, association, partnership, limited liability
14 partnership, trust, ~~entity,~~ or other legal entity.

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

25 (gg) ~~(hh)~~ "Vendor" means a person who is not licensed under
26 this act who supplies any goods or services to a casino licensee or
27 supplier licensee.

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



1 (ii) ~~(jj)~~ "Winnings" means the total cash value of all
 2 property or sums including currency, tokens, or instruments of
 3 monetary value paid to wagerers as a direct result of wagers placed
 4 at or through a gambling game.

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

11 (2) The board ~~shall consist~~ **consists** of 5 members, not more
 12 than 3 of whom ~~shall may~~ be members of the same political party, to
 13 be appointed by the governor with the advice and consent of the
 14 senate. ~~7 1 of whom~~ **The governor** shall be designated by the
 15 governor to be ~~designate~~ **1 of the members as** chairperson. Each
 16 member ~~shall must~~ be a resident of this state.

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

25 (4) Each member ~~of the board shall~~ **must** be reimbursed for all
 26 actual and necessary expenses and disbursements incurred in the
 27 execution of official duties. **Beginning January 1, 2024, each**
 28 **member must receive compensation in the amount of \$1,000.00 for**
 29 **each public board meeting that he or she attends. Beginning January**



1 1, 2024, the chairperson must receive \$1,250.00 for each public
2 board meeting he or she attends, and must be reimbursed for all
3 actual and necessary expenses and disbursements.

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

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

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

19 (8) The governor shall appoint the executive director of the
20 board to serve a 6-year term. ~~After the effective date of the act~~
21 ~~that added this subsection, the~~ **The** appointment of the executive
22 director ~~shall require~~ **requires** the approval of the senate by a
23 record roll call vote. The executive director shall perform any and
24 all duties that the board ~~shall assign~~ **assigns to** him or her. The
25 executive director ~~shall~~ **must** be reimbursed for all actual and
26 necessary expenses incurred by him or her in discharge of his or
27 her official duties. The executive director shall keep records of
28 all proceedings of the board and shall preserve all records, books,
29 documents, and other papers belonging to the board or entrusted to



1 its care. The executive director shall devote his or her full time
 2 to the duties of the office and shall not hold any other office or
 3 employment. A vacancy in the position of executive director ~~shall~~
 4 **must** be filled as provided in this subsection for a new 6-year
 5 term.

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

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

11 (a) During the ~~3 years~~ **1 year** immediately preceding
 12 appointment or employment, the person held any direct or indirect
 13 interest in, or any employment by, a person who is licensed to
 14 operate a casino under this act or in another jurisdiction, a
 15 person who had an application to operate a casino pending before
 16 the board or any other jurisdiction, or a casino enterprise.
 17 However, **the board may employ the** person ~~may be employed by the~~
 18 ~~board~~ if his or her interest in any casino licensee or casino
 19 enterprise would not, in the opinion of the board, interfere with
 20 the objective discharge of the person's employment obligations.
 21 However, **the board shall not employ** a person ~~shall not be employed~~
 22 ~~by the board~~ if his or her interest in the casino licensee or
 23 casino enterprise constitutes a controlling interest in that casino
 24 licensee or casino enterprise.

25 (b) The person or his or her spouse, parent, child, child's
 26 spouse, sibling, or spouse of a sibling is a member of the board of
 27 directors of or a person financially interested in any person
 28 licensed as a casino licensee or casino supplier, any person who
 29 has an application for a license pending before the board, or a



1 casino enterprise.

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

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

18 (12) ~~(13)~~ A member, ~~of the board,~~ executive director, or key
 19 ~~employee~~ **board employee** shall not hold any direct or indirect
 20 interest in, be employed by, or enter into a contract for services
 21 with an applicant, ~~a person licensed by or registered with the~~
 22 ~~board, or a casino enterprise~~ **a casino licensee** for a period of ~~4-2~~
 23 years after the date his or her ~~membership on the board~~ **office or**
 24 **employment** terminates.

25 ~~(14) An employee of the board shall not acquire any direct or~~
 26 ~~indirect interest in, be employed by, or enter into a contract for~~
 27 ~~services with any applicant, person licensed by the board, or~~
 28 ~~casino enterprise for a period of 2 years after the date his or her~~
 29 ~~employment with the board is terminated.~~



1 (13) ~~(15) A board member, or a person employed by the board~~
 2 **executive director, or board employee** shall not represent any
 3 person or party other than ~~the~~**this** state before or against the
 4 board for a period of 2 years after the termination of his or her
 5 office or employment with the board.

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

14 (14) ~~(17) The board shall have~~**has** general responsibility for
 15 the implementation of this act. The board's duties include, but are
 16 not limited to, all of the following:

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

26 (b) ~~To decide~~**Deciding** in reasonable order all license
 27 applications. Except for casino license applicants granted a
 28 hearing under section 6(7), any party aggrieved by an action of the
 29 board denying, suspending, revoking, restricting, or refusing to



1 renew a license, or imposing a fine, may request a hearing before
 2 the board. A request for a hearing ~~shall~~**must** be made to the board
 3 in writing within 21 days after service of notice of the action of
 4 the board. Notice of the action of the board ~~shall~~**must** be served
 5 either by personal delivery or by certified mail, postage prepaid,
 6 to the aggrieved party. Notice served by certified mail ~~shall be~~**is**
 7 considered complete on the business day following the date of the
 8 mailing.

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

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

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

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

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

22 (e) Providing for the establishment and collection of all
 23 license and registration fees and taxes imposed by this act and the
 24 rules promulgated by the board.

25 (f) Providing for the levy and collection of penalties and
 26 fines for the violation of this act and the rules promulgated by
 27 the board.

28 (g) Being present through its inspectors, agents, auditors,
 29 and the ~~Michigan~~**department of** state police or **department of**



1 attorney general at any time in any casino and related casino
 2 enterprise for the purpose of certifying the revenue ~~thereof, of~~
 3 **the licensee**, receiving complaints from the public, and conducting
 4 other investigations into the conduct of the gambling games and the
 5 maintenance of the equipment as ~~from time to time~~ the board ~~may~~
 6 ~~consider~~ **considers** necessary and proper to assure compliance with
 7 this act and the rules promulgated by the board and to protect and
 8 promote the overall safety, security, and integrity of casino
 9 gaming authorized in this act.

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

18 (i) Holding at least 1 public meeting each quarter of the
 19 fiscal year. In addition, special meetings may be called by the
 20 chairperson or any 2 ~~board~~ members upon 72 hours' written notice to
 21 each member. Three members ~~of the board shall~~ constitute a quorum.
 22 ~~, except when making determinations on applications for casino~~
 23 ~~licenses when 4 members shall constitute a quorum. Three votes~~
 24 ~~shall be~~ **are** required in support of final determinations of the
 25 board on applications for casino licenses. The board shall keep a
 26 complete and accurate record of all its meetings and hearings. Upon
 27 order of the board, 1 of the board members or a hearing officer
 28 designated by the board may conduct any hearing provided for under
 29 this act or by the rules promulgated by the board and may recommend



1 findings and decisions to the board. The board member or hearing
2 officer conducting the hearing ~~shall have~~ **has** all powers and rights
3 regarding the conduct of hearings granted to the board under this
4 act. The record made at the time of the hearing ~~shall must~~ be
5 reviewed by the board, or a majority of the board, and the findings
6 and decision of the majority of the board ~~shall constitute~~ the
7 order of the board. ~~in the case.~~

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

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

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

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



1 under this act.

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

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

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

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

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

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

29 (v) This section is not intended to limit warrantless



1 inspections except in accordance with constitutional requirements.

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

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

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

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

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

25 (i) Conduct investigative and contested case hearings, issue
26 subpoenas for the attendance of witnesses and subpoenas duces tecum
27 for the production of books, ledgers, records, memoranda,
28 electronically retrievable data, and other pertinent documents and
29 to administer oaths and affirmations to the witnesses to exercise



1 and discharge the powers and duties of the board under this act.
2 The executive director or his or her designee is also authorized to
3 issue subpoenas and to administer oaths and affirmations to
4 witnesses.

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

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

22 (l) In addition to a disassociated person, eject or exclude or
23 authorize the ejection or exclusion of a person from a casino if
24 the person violates this act, rules promulgated by the board, or **a**
25 final ~~orders~~**order** of the board or ~~when~~**if** the board determines
26 that the person's conduct or reputation is such that his or her
27 presence within the casino gambling facilities may compromise the
28 honesty and integrity of the gambling operations or ~~interferes~~
29 **interfere** with the orderly conduct of the gambling operations.



1 However, the propriety of the ejection or exclusion is subject to a
2 subsequent hearing by the board.

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

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

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

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

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

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

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

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



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

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

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

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

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

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

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

27 Sec. 4c. (1) Except as otherwise provided in this section, all
 28 information, records, interviews, reports, statements, memoranda,
 29 or other data supplied to or used by the board ~~shall be~~ **are** subject



1 to the freedom of information act, 1976 PA 442, MCL 15.231 to
2 15.246, except for the following:

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

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

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

21 (d) **Any information that would disclose employment schedules,**
22 **travel schedules, vehicle information, or other information that**
23 **might endanger the physical safety of board employees, or**
24 **investigation information.**

25 (2) Notwithstanding subsection (1)(a) or (c), the board shall,
26 ~~upon~~ **on** written request from any person, provide the following
27 information concerning ~~the~~ **an** applicant or licensee, his or her
28 products, services or gambling enterprises, and his or her business
29 holdings if the board has the information in its possession:



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

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

10 (c) An identification of any business, including, if
11 applicable, the state of incorporation or registration, in which an
12 applicant or licensee or an applicant's or licensee's spouse,
13 parent, or child has equity interest of more than 5%.

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

20 (e) Whether an applicant or licensee has had any license or
21 certification issued by a licensing authority in ~~Michigan~~**this**
22 **state** or any other jurisdiction denied, restricted, suspended,
23 revoked, or not renewed and, if known by the board, a statement
24 describing the facts and circumstances concerning the denial,
25 restriction, suspension, revocation, or nonrenewal, including the
26 name of the licensing authority, the date each action was taken,
27 and the reason for each action.

28 (f) Whether an applicant or licensee has ever filed, or had
29 filed against it, a proceeding for bankruptcy or has ever been



1 involved in any formal process to adjust, defer, suspend, or
 2 otherwise work out the payment of any debt, including the date of
 3 filing, the name and location of the court, the case, and number of
 4 the disposition.

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

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

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

26 (i) **That term as defined in section 3 of the Michigan campaign**
 27 **finance act, 1976 PA 388, MCL 169.203.**

28 (ii) **The holder of any state, legislative, or local elective**
 29 **office.**



1 (j) The name and business telephone number of any attorney,
 2 counsel, lobbyist agent as **that term is** defined in section 5 of
 3 1978 PA 472, MCL 4.415, or any other person representing ~~an~~**the**
 4 applicant or licensee in matters before the board.

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

14 (l) A description of the product or service to be supplied by,
 15 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~~ **this**
11 **state** or any other jurisdiction denied, restricted, suspended,
12 revoked, or not renewed and, if known by the city, a statement
13 describing the facts and circumstances concerning the denial,
14 restriction, suspension, revocation, or nonrenewal, including the
15 name of the licensing authority, the date each action was taken,
16 and the reason for each 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. **As used in this subdivision, "candidate" means:**

15 (i) **That term as defined in section 3 of the Michigan campaign**
16 **finance act, 1976 PA 388, MCL 169.203.**

17 (ii) **The holder of any state, legislative, or local elective**
18 **office.**

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

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



1 (l) A description of the product or service to be supplied by,
2 or occupation to be engaged in by, a person filing a response.

3 (5) Notwithstanding the provisions of this section, the board
4 or ~~the~~ a city may cooperate with and provide all information,
5 records, interviews, reports, statements, memoranda, or other data
6 supplied to or used by the board to other jurisdictions or law
7 enforcement agencies.

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

11 (a) Affirms that the member or the member's spouse, parent,
12 child, or child's spouse is not a member of the board of directors
13 of, financially interested in, or employed by a licensee or
14 applicant.

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

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

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

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

26 (a) Affirms the absence of financial interests prohibited by
27 this act.

28 (b) Discloses any legal or beneficial interests in any real
29 property that is or that may be directly or indirectly involved



1 with gaming or gaming operations authorized by this act.

2 (c) Discloses whether the employee or the employee's spouse,
3 parent, child, or child's spouse is financially interested in or
4 employed by a supplier licensee or an applicant for a supplier's
5 license under this act.

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

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

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

25 (5) Any member, employee, or agent of the board who is
26 negotiating for, or acquires by any means, any interest in any
27 person who is a licensee or an applicant, or any person affiliated
28 with such a person, shall immediately provide written notice of the
29 details of the interest to the chairperson. The member, employee,



1 or agent of the board shall not act on behalf of the board with
2 respect to that person.

3 (6) A member, employee, or agent of the board may not enter
4 into any negotiations for employment with any person or affiliate
5 of any person who is a licensee or an applicant, and shall
6 immediately provide written notice of the details of any such
7 negotiations or discussions to the chairperson. The member,
8 employee, or agent of the board shall not take any action on behalf
9 of the board with respect to that person.

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

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

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



1 (10) A member, employee, or agent of the board or a parent,
2 spouse, sibling, spouse of a sibling, child, or spouse of a child
3 of a member, employee, or agent of the board may not accept any
4 gift, gratuity, compensation, travel, lodging, or anything of
5 value, directly or indirectly, from any licensee or any applicant
6 or affiliate or representative of an applicant or licensee, unless
7 the acceptance conforms to a written policy or directive that is
8 issued by the chairperson or the board. Any member, employee, or
9 agent of the board who is offered or receives any gift, gratuity,
10 compensation, travel, lodging, or anything of value, directly or
11 indirectly, from any licensee or any applicant or affiliate or
12 representative of an applicant or licensee shall immediately
13 provide written notification of the details to the chairperson.

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

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

27 (13) A member, employee, or agent of the board who is
28 approached and offered a bribe in violation of section 118 of the
29 Michigan penal code, 1931 PA 328, MCL 750.118, or this act shall



1 immediately provide written account of the details of the incident
2 to the chairperson and to a law enforcement officer of a law
3 enforcement agency having jurisdiction.

4 (14) A member, employee, or agent of the board shall disclose
5 his or her past involvement with any casino interest in the past 5
6 years and shall not engage in political activity or politically
7 related activity during the duration of his or her appointment or
8 employment.

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

16 (16) A licensee or applicant or any affiliate or
17 representative of an applicant or licensee shall not engage in ex
18 parte communications with a member of the board. A member of the
19 board shall not engage in any ex parte communications with a
20 licensee or an applicant or with any affiliate or representative of
21 an applicant or licensee.

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

29 (18) Any member of the board who receives an ex parte



1 communication ~~which~~**that** attempts to influence that member's
 2 official action shall disclose the source and content of the
 3 communication to the chairperson. The chairperson may investigate
 4 or initiate an investigation of the matter with the assistance of
 5 the attorney general and **the department of** state police to
 6 determine if the communication violates subsection (16) or
 7 subsection (17) or other state law. The disclosure under this
 8 section and the investigation shall remain confidential. Following
 9 an investigation, the chairperson shall advise the governor or the
 10 board, or both, of the results of the investigation and may
 11 recommend action as the chairperson considers appropriate.

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

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

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



1 (22) The chairperson shall report any action he or she has
2 taken or contemplates taking under this section with respect to an
3 employee or agent or former employee or former agent to the board
4 at the next meeting of the board. The board may direct the
5 executive director to take additional or different action.

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

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

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

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

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



1 (26) A violation of this section by an employee or agent of
2 the board will not result in termination of employment if the board
3 determines that the conduct involved does not violate the purpose
4 of this act, or require other disciplinary action, including
5 termination of employment. However, employment will be terminated
6 as follows:

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

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

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

23 (27) Violation of this section does not create a civil cause
24 of action.

25 (28) As used in this section:

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

28 (i) Operation of a proprietorship.

29 (ii) Participation in a partnership or group business



1 enterprise.

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

4 (b) "Political activity" or "politically related activity"
5 includes all of the following:

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

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

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

12 (iv) Knowingly soliciting or discouraging the participation in
13 any political activity of any person who is either of the
14 following:

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

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

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

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

28 (b) The identity of every person having a greater than ~~1%~~**5%**
29 direct or indirect pecuniary interest in the applicant with respect



1 to which the license is sought. If the disclosed entity is a trust,
2 the application ~~shall~~**must** disclose the names and addresses of the
3 beneficiaries; if a corporation, the names and addresses of all
4 stockholders and directors; if a partnership, the names and
5 addresses of all partners, both general and limited; if a limited
6 liability company, the names and addresses of all members.

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

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

29 (e) Whether an applicant has ever applied for or has been



1 granted any license or certificate issued by a licensing authority
 2 in ~~Michigan~~ **this state** or any other jurisdiction that has been
 3 denied, restricted, suspended, revoked, or not renewed and a
 4 statement describing the facts and circumstances concerning the
 5 application, denial, restriction, suspension, revocation, or
 6 nonrenewal, including the licensing authority, the date each action
 7 was taken, and the reason for each action.

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

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

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



1 (i) Whether an applicant or the spouse, parent, child, or
 2 spouse of a child of an applicant has made, directly or indirectly,
 3 any political contribution, or any loans, donations, or other
 4 payments to any candidate ~~as defined in section 7b~~ or officeholder
 5 elected in this state or to a committee established under the
 6 Michigan campaign finance act, 1976 PA 388, MCL 169.201 to 169.282,
 7 within 5 years from the date of the filing of the application,
 8 including the identity of the board member, candidate, or
 9 officeholder, the date, the amount, and the method of payment. **As**
 10 **used in this subdivision, "candidate" means:**

11 (i) **That term as defined in section 3 of the Michigan campaign**
 12 **finance act, 1976 PA 388, MCL 169.203.**

13 (ii) **The holder of any state, legislative, or local elective**
 14 **office.**

15 (j) The name and business telephone number of any attorney,
 16 counsel, lobbyist agent as **that term is** defined in section 5 of
 17 1978 PA 472, MCL 4.415, or any other person representing an
 18 applicant in matters before the board.

19 (k) A description of any proposed or approved casino gaming
 20 operation and related casino enterprises, including the economic
 21 benefit to the community, anticipated or actual number of
 22 employees, any statement from an applicant regarding compliance
 23 with federal and state affirmative action guidelines, projected or
 24 actual admissions, projected or actual gross receipts, and
 25 scientific market research.

26 (l) Financial information in the manner and form prescribed by
 27 the board.

28 (2) Information provided on the application ~~shall~~**must** be used
 29 as a basis for a thorough background investigation ~~which~~**that** the



1 board shall conduct on each applicant. A false or incomplete
2 application is cause for denial of a license by the board.

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

8 (4) Applicants ~~shall~~**must** consent in writing to being subject
9 to the inspections, searches, and seizures provided for in section
10 4a(1)(c)(i) to (v) and to disclosure to the board and its agents of
11 otherwise confidential records, including tax records held by any
12 federal, state, or local agency, or credit bureau or financial
13 institution, while applying for or holding a license under this
14 act.

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

29 Sec. 6. (1) The board shall issue a casino license to a person



1 who applies for a license, who pays the nonrefundable application
2 fee required under section 5(5) and a \$25,000.00 license fee for
3 the first year of operation, and who the board determines is
4 eligible and suitable to receive a casino license under this act
5 and the rules promulgated by the board. It is the burden of the
6 applicant to establish by clear and convincing evidence its
7 suitability as to character, reputation, integrity, business
8 probity, experience, and ability, financial ability and
9 responsibility, and other criteria ~~as may be considered~~ appropriate
10 by the board. The criteria considered appropriate by the board
11 ~~shall~~**must** not be arbitrary, capricious, or contradictory to the
12 expressed provisions of this act. A person is eligible to apply for
13 a casino license if all of the following criteria are met:

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

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

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

25 (2) A city shall not certify or submit and have pending before
26 the board more than 3 certified development agreements. If an
27 applicant is denied a casino license by the board, the city may
28 then certify a development agreement with another applicant and
29 submit the certified development agreement to the board. Nothing in



1 this act ~~shall be construed to prevent~~ **prevents** the city from
 2 entering into more than 3 development agreements.

3 (3) ~~No~~ **The board shall not issue** more than ~~three (3)~~ **3**
 4 licenses ~~shall be issued by the board in any city. A~~ **The board**
 5 **shall not issue a** license ~~shall not be issued~~ for a casino to be
 6 located on land held in trust by the United States for a federally
 7 recognized Indian tribe. In evaluating the eligibility and
 8 suitability of all applicants under the standards provided in this
 9 act, the board shall establish and apply the standards to all
 10 applicants in a consistent and uniform manner. ~~In the event that~~ **If**
 11 more than ~~three (3)~~ **3** applicants meet the standards for eligibility
 12 and suitability provided for in subsections (4) and (5), **the board**
 13 **shall first issue** licenses ~~shall first be issued~~ to those eligible
 14 and suitable applicants ~~which~~ **that** submitted any casino gaming
 15 proposal for voter approval ~~prior to~~ **before** January 1, 1995, in the
 16 city in which the casino will be located and the voters approved
 17 the proposal.

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

20 (a) The applicant has been convicted of a felony under the
 21 laws of this state, any other state, or the United States. **However,**
 22 **the board may waive the requirements under this subdivision if the**
 23 **conviction occurred more than 10 years before the applicant applies**
 24 **for a license under this section and the board is convinced of both**
 25 **of the following:**

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

28 (ii) **That the applicant otherwise meets the requirements of**
 29 **this section.**



1 (b) The applicant has been convicted of a misdemeanor
 2 involving gambling, theft, dishonesty, or fraud in any state or a
 3 local ordinance in any state involving gambling, dishonesty, theft,
 4 or fraud that substantially corresponds to a misdemeanor in that
 5 state. **However, the board may waive the requirements under this**
 6 **subdivision if the conviction occurred more than 5 years before the**
 7 **applicant applies for a license under this section and the board is**
 8 **convinced of both of the following:**

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

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

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

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

16 (e) The applicant fails to demonstrate the applicant's ability
 17 to maintain adequate liability and casualty insurance for its
 18 proposed casino.

19 (f) The applicant holds an elective office ~~of a governmental~~
 20 ~~unit of this state, another state, or the federal government, or is~~
 21 ~~a member of or in the city or county where the casino is located,~~
 22 **state elective office, or federal elective office, or is** employed
 23 **by a city or county where the casino is located or by a** gaming
 24 regulatory body of a governmental unit in this state, another
 25 state, or the federal government. ~~, or is employed by a~~
 26 ~~governmental unit of this state.~~ This section does not apply to an
 27 elected officer of or **an** employee of a federally recognized Indian
 28 tribe or to an elected precinct delegate. **As used in this**
 29 **subdivision, "state elective office" means that term as defined in**



1 **section 12 of the Michigan campaign finance act, 1976 PA 388, MCL**
 2 **169.212.**

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

6 (h) The board concludes that the applicant lacks the requisite
 7 suitability as to integrity, moral character, and reputation;
 8 personal and business probity; financial ability and experience;
 9 responsibility; or means to develop, construct, operate, or
 10 maintain the casino proposed in the certified development
 11 agreement.

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

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

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

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

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

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

27 (c) The financial ability of the applicant to purchase and
 28 maintain adequate liability and casualty insurance. ~~and to provide~~
 29 ~~an adequate surety bond.~~



1 (d) The sources and total amount of the applicant's
2 capitalization to develop, construct, maintain, and operate the
3 proposed casino.

4 (e) Whether the applicant has adequate capitalization to
5 develop, construct, maintain, and operate for the duration of a
6 license the proposed casino in accordance with the requirements of
7 this act and rules promulgated by the board and to responsibly pay
8 off its secured and unsecured debts in accordance with its
9 financing agreement and other contractual obligations.

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

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

16 (h) Whether the applicant has been indicted, charged,
17 arrested, convicted, pleaded guilty or nolo contendere, forfeited
18 bail concerning, or had expunged any criminal offense under the
19 laws of any jurisdiction, either felony or misdemeanor, not
20 including traffic violations, regardless of whether the offense has
21 been expunged, pardoned, or reversed on appeal or otherwise.

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

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



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

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

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

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

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

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

22 (7) The board shall review all applications for casino
23 licenses and shall inform each applicant of the board's decision.
24 ~~Prior to~~ **Before** rendering its decision, the board shall provide a
25 public investigative hearing at which the applicant for a license
26 ~~shall have~~ **has** the opportunity to present testimony and evidence to
27 establish its suitability for a casino license. Other testimony and
28 evidence may be presented at the hearing, but the board's decision
29 ~~shall~~ **must** be based on the whole record before the board and is not



1 limited to testimony and evidence submitted at the public
2 investigative hearing.

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

7 (9) All applicants and licensees ~~shall~~**must** consent to
8 inspections, searches, and seizures and the providing of
9 handwriting exemplar, fingerprints, photographs, and information as
10 authorized in this act and in rules promulgated by the board.

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

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

19 **(12) A casino licensee under this act shall comply with the**
20 **bank secrecy act of 1970, 31 USC 5311 to 5332.**

21 Sec. 6a. (1) If in the review of an application submitted
22 under this act the board identifies a deficiency that would require
23 denial, the board shall ~~notify~~**give written notice of the**
24 **deficiency to** the applicant. ~~and the city in writing of the~~
25 ~~deficiency.~~

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

28 Sec. 6c. (1) Unless the board determines that an institutional
29 investor ~~may be found~~**is** unqualified, an institutional investor



1 holding either under 10% of the equity securities or debt
 2 securities of a casino licensee's affiliate or affiliated company
 3 ~~which that~~ is related in any way to the financing of the casino
 4 licensee, if the securities represent a percentage of the
 5 outstanding debt of the affiliate or affiliated company not
 6 exceeding 20%, or a percentage of any issue of the outstanding debt
 7 of the affiliate or affiliated company not exceeding 50%, ~~shall~~
 8 **must** be granted a waiver of the eligibility and suitability
 9 requirements of section 6 if ~~such securities are those of a~~
 10 ~~publicly traded corporation and its holdings of such those~~
 11 securities were purchased for investment purposes only and, if
 12 requested by the board, **the investor** files with the board a
 13 certified statement that it has no intention of influencing or
 14 affecting the affairs of the issuer, the casino licensee, or its
 15 affiliate or affiliated company.

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

20 (3) An institutional investor granted a waiver under this
 21 section that subsequently intends to influence or affect the
 22 affairs of the issuer ~~shall~~ **must** provide notice to the board and
 23 file an application for a determination of eligibility and
 24 suitability before taking any action that may influence or affect
 25 the affairs of the issuer.

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

29 (5) If an institutional investor changes its investment intent



1 or if the board finds that the institutional investor ~~may be found~~
2 **is** unqualified, no action other than divestiture of the security
3 holdings shall be taken until there has been compliance with this
4 act.

5 (6) The casino licensee or an affiliate or affiliated company
6 of the casino licensee shall immediately notify the board of any
7 information concerning an institutional investor holding its equity
8 or debt securities ~~which~~**that** may impact the eligibility and
9 suitability of the institutional investor for a waiver under this
10 section.

11 (7) If the board finds that an institutional investor holding
12 any security of an affiliate or affiliated company of a casino
13 licensee that is related in any way to the financing of the casino
14 licensee fails to comply with the requirements of this section, or
15 if at any time the board finds that, by reason of the extent or
16 nature of its holdings, an institutional investor is in a position
17 to exercise a substantial impact upon the controlling interests of
18 a casino licensee, the board may take any necessary action to
19 protect the public interest, including requiring this institutional
20 investor to satisfy the eligibility and suitability requirements
21 under section 6.

22 Sec. 7a. (1) The board may issue a supplier's license to a
23 person who applies for a license and pays a nonrefundable
24 application fee set by the board, if the board determines that the
25 applicant is eligible and suitable for a supplier's license and the
26 applicant pays a \$5,000.00 annual license fee. It is the burden of
27 the applicant to establish by clear and convincing evidence its
28 suitability as to integrity, moral character, and reputation;
29 personal and business probity; financial ability and experience;



1 responsibility; and other criteria considered appropriate by the
 2 board. All applications ~~shall~~ **of a director or managerial employee**
 3 **of the applicant who performs the function of principal executive**
 4 **officer, principal operations officer, or principal accounting**
 5 **officer must** be made under oath.

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

10 (3) Gambling supplies and equipment ~~shall~~ **must** not be
 11 distributed unless supplies and equipment conform to standards
 12 adopted in rules promulgated by the board.

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

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

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

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

25 (b) The applicant has been convicted of a misdemeanor
 26 involving gambling, theft, fraud, or dishonesty in any state or a
 27 local ordinance in any state involving gambling, dishonesty, theft,
 28 or fraud that substantially corresponds to a misdemeanor in that
 29 state. **The board may waive the requirements in this subdivision if**



1 the conviction occurred more than 5 years before the applicant
 2 applies for a license under this section and the board is convinced
 3 of both of the following:

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

6 (ii) That the applicant otherwise meets the requirements of
 7 this section.

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

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

11 (e) The applicant holds an elective office ~~of a governmental~~
 12 ~~unit of this state, another state, or the federal government, or is~~
 13 ~~a member of or in the city or county where the casino is located,~~
 14 **state elective office, or federal elective office, or is** employed
 15 by a **city or county where the casino is located or by a** gaming
 16 regulatory body of a governmental unit in this state, another
 17 state, or the federal government. ~~, or is employed by a~~
 18 ~~governmental unit of this state.~~ This subdivision does not apply to
 19 an elected officer of or **an** employee of a federally recognized
 20 Indian tribe or ~~an elected to a precinct delegate.~~ **As used in this**
 21 **subdivision, "state elective office" means that term as defined in**
 22 **section 12 of the Michigan campaign finance act, 1976 PA 388, MCL**
 23 **169.212.**

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

26 ~~(g)~~ **(f)** The board concludes that the applicant lacks the
 27 requisite suitability as to integrity, moral character, and
 28 reputation; personal and business probity; financial ability and
 29 experience; and responsibility.



1 (g) ~~(h)~~—The applicant fails to meet other criteria considered
 2 appropriate by the board. The **board shall not apply** criteria
 3 ~~considered appropriate by the board shall not be~~ **that are**
 4 arbitrary, capricious, or contradictory to the expressed provisions
 5 of this act.

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

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

11 (b) The integrity, moral character, and reputation; personal
 12 and business probity; financial ability and experience; and
 13 responsibility of the applicant. ~~or an affiliate of the applicant.~~

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

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

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

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



1 (g) Whether the applicant has a history of noncompliance with
 2 any regulatory requirements in this state or any other
 3 jurisdiction.

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

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

9 (j) Whether the applicant meets other standards for ~~the~~
 10 ~~issuance of~~**issuing** a supplier's license ~~that~~**contained in a rule**
 11 **promulgated by** the board. ~~may promulgate by rule.~~The rules
 12 ~~promulgated~~**board shall not promulgate a rule** under this
 13 subdivision ~~shall not be~~**that is** arbitrary, capricious, or
 14 contradictory to the expressed provisions of this act.

15 (6) ~~Any person, including a junket enterprise,~~**A supplier** that
 16 supplies equipment, devices, supplies, or services to a licensed
 17 casino shall first obtain a supplier's license. A supplier shall
 18 furnish to the board a list of all equipment, devices, and supplies
 19 offered for sale or lease to casino licensees licensed under this
 20 act.

21 (7) A supplier shall keep books and records of its business
 22 activities with a casino operator, including its furnishing of
 23 equipment, devices, supplies, and services to gambling operations
 24 separate and distinct from any other business that the supplier
 25 ~~might operate. A supplier shall file a quarterly return with the~~
 26 ~~board listing all sales, leases, and services.~~**operates.** A supplier
 27 shall permanently affix its name to all its equipment, devices, and
 28 supplies for gambling operations. Any supplier's equipment,
 29 devices, or supplies that are used by any person in an unauthorized



1 gambling operation ~~shall be~~ **are** forfeited to ~~the~~ **this** state.

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

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

8 (10) A **supplier** license ~~shall be~~ issued **under this section is**
9 **valid** for a ~~1-year period~~ **1 year**. All licenses are renewable
10 annually upon payment of the license fee and the transmittal to the
11 board of an annual report to include information required under
12 rules promulgated by the board.

13 (11) All applicants and licensees ~~shall~~ **must** consent to
14 inspections, searches, and seizures provided for in section
15 4a(1)(c)(i) to (v) and to the disclosure to the board and its agents
16 of confidential records, including tax records, held by any
17 federal, state, or local agency, credit bureau, or financial
18 institution and to provide handwriting exemplars, photographs,
19 fingerprints, and information as authorized in this act and in
20 rules promulgated by the board.

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

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

29 Sec. 7c. (1) Each local labor organization that directly



1 represents casino gaming employees shall register with the board
 2 ~~annually~~ **biennially** and provide all of the following:

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

5 (b) The name and address of any international labor
 6 organization with which it directly or indirectly maintains an
 7 affiliation or relationship.

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

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

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

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

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

16 (v) The individual's annual compensation, including salary,
 17 allowances, reimbursed expenses, and other direct or indirect
 18 disbursements.

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

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

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

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

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

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

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

28 (B) Whether he or she performed the same or similar activities



1 previously on a labor organization's behalf.

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

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

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

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

10 (vii) Whether he or she was ever denied a business, liquor,
11 gaming, or professional license or had ~~such a~~ **business, liquor,**
12 **gaming, or professional** license revoked.

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

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

20 (x) A photograph of the individual taken within the previous
21 60 days.

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

24 (e) A written certification under oath by the local labor
25 organization president, secretary, treasurer, or chief official
26 that the information provided under this subsection is complete and
27 accurate. The board shall prescribe the form for this
28 certification.

29 (2) A local labor organization may satisfy the information



1 requirements of subsection (1) by providing to the board copies of
2 reports filed with the United States ~~department of labor~~ **Department**
3 **of Labor** under the labor management reporting and disclosure act of
4 1959, Public Law 86-257, supplemented by any required information
5 not contained in those reports.

6 (3) If information required under subsection (1) for a
7 designated individual changes after registration or if the local
8 labor organization gains a designated individual after
9 registration, the local labor organization shall provide the board
10 with that new information or the information, photograph, and
11 fingerprints required under subsection (1) for the new designated
12 individual within 21 days **after the information changes**.

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

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

22 (a) Adjusting grievances for or negotiating or administering
23 the wages, hours, working conditions, or employment conditions of
24 casino gaming employees.

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

29 (c) Supervising, directing, or controlling other officers,



1 agents, or employees of the local labor organization in performing
2 functions described in subdivisions (a) and (b).

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

5 (a) He or she has been indicted or charged with, convicted of,
6 pled guilty or nolo contendere to, or forfeited bail in connection
7 with a crime involving gambling, theft, dishonesty, prostitution,
8 or fraud under the laws of this state, any other state, or the
9 United States or a local ordinance of a political subdivision of
10 this state or another state. Disqualification ~~cannot~~ **must not** be
11 based only on crimes that involve soliciting or engaging
12 prostitution services unless the individual is or has engaged in an
13 ongoing pattern of that behavior. If the grounds for
14 disqualification are criminal charges or indictment, at the
15 individual's request, the board shall defer making a decision on
16 disqualification while the charge or indictment is pending.

17 (b) He or she intentionally or knowingly made or caused to be
18 made a false or misleading statement in a document provided to the
19 board or its agents or orally to a board member or agent in
20 connection with an investigation.

21 (c) He or she engages in criminal or unlawful activities in an
22 occupational manner or context for economic gain, or is an
23 associate or member of a group of individuals who operate together
24 in that fashion, and this behavior creates a reasonable belief that
25 the behavior adversely affects gambling operations and the public
26 policy underlying this act. In making a determination under this
27 subdivision, the board may consider findings or identifications by
28 the attorney general or department of state police that an
29 individual is within this category.



1 (7) A designated individual shall report all information
 2 described in subsection (6) (a) to (c) concerning him or her to the
 3 local labor organization. A local labor organization shall report
 4 all information described in subsection (6) (a) to (c) concerning
 5 its designated individuals of which it has actual knowledge to the
 6 board.

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

12 (9) The board shall give written notice to an individual it
 13 proposes to disqualify and to the affected labor organization,
 14 stating the reason for the proposed disqualification and describing
 15 any supporting evidence in the board's possession. Within 30 days
 16 after receiving the written notice of proposed disqualification,
 17 the respondent may file with the board a written request for a
 18 hearing, ~~which shall~~ **that must** take place promptly. The board shall
 19 conduct the hearing in conformity with the contested case
 20 procedures set forth in the administrative procedures act of 1969,
 21 1969 PA 306, MCL 24.201 to 24.328. A person aggrieved by a final
 22 disqualification has the right to appeal to the circuit court for
 23 the county in which the person resides or has his or her principal
 24 place of business to have the disqualification set aside based on
 25 any ground set forth in section 106 of the administrative
 26 procedures act of 1969, 1969 PA 306, MCL 24.306.

27 (10) Not later than January 31 of the calendar year after
 28 disqualification and each year after that unless the
 29 disqualification is rescinded or reversed, the disqualified



1 individual shall provide the board with a sworn statement that he
 2 or she did not perform the functions described in subsection (5)
 3 during the previous year.

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

8 (12) A local labor organization that is registered or required
 9 to be registered under this section or any officer, agent, or
 10 principal employee of that organization shall not personally hold
 11 any financial interest in a casino licensee employing casino gaming
 12 employees represented by the organization or person.

13 (13) This section does not prohibit a local labor organization
 14 from conducting training for or operating a school to train casino
 15 gaming employees, or from entering into an agreement or arrangement
 16 with a casino licensee, supplier, or vendor to provide for the
 17 training of casino gaming employees. ~~A local labor organization~~
 18 ~~that conducts such training or operates such a school or does not~~
 19 ~~otherwise qualify as a supplier is not subject to the contribution~~
 20 ~~prohibitions of section 7b.~~

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

29 (15) This section ~~shall~~ **must** not be expanded or amplified by



1 action of the board or any other executive or administrative body.
 2 The board and any other executive or administrative body do not
 3 have authority to promulgate interpretive rules or rulings to
 4 implement this section. The board and any other executive or
 5 administrative body do not have authority under this section to
 6 require that a local labor organization or an officer, agent, or
 7 principal employee of a labor organization does either of the
 8 following:

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

12 (b) Ensure the compliance of any person or entity with the
 13 licensing requirements under this act or under rules promulgated by
 14 the board.

15 (16) As used in this section:

16 (a) "Casino gaming employee" means the following and their
 17 supervisors:

18 (i) Individuals involved in operating a casino gaming pit,
 19 including dealers, skills, clerks, **and** hosts. ~~, and junket~~
 20 ~~representatives.~~

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

23 (iii) Individuals involved in operating gambling games.

24 (iv) Individuals involved in operating and maintaining slot
 25 machines, including mechanics, floorpersons, and change and payoff
 26 persons.

27 (v) Individuals involved in security, including guards and
 28 game observers.

29 (vi) Individuals with duties similar to those described in



1 subparagraphs (i) to (v). However, casino gaming employee does not
 2 include an individual whose duties are related solely to nongaming
 3 activities such as entertainment, hotel operation, maintenance, or
 4 preparing or serving food and beverages.

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

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

11 Sec. 8. (1) The board may issue an occupational license to an
 12 applicant after all of the following have occurred:

13 (a) The applicant has paid a nonrefundable application fee set
 14 by the board.

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

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

20 (2) ~~It is the burden of the~~ **The** applicant ~~to~~ **shall** establish
 21 by clear and convincing evidence the applicant's eligibility and
 22 suitability as to integrity, moral character, and reputation;
 23 personal probity; financial ability and experience; responsibility;
 24 and other criteria ~~as may be~~ considered appropriate by the board.
 25 The **board shall not apply** criteria ~~considered appropriate by the~~
 26 ~~board shall not be~~ **that are** arbitrary, capricious, or contradictory
 27 to the expressed provisions of this act. All applications ~~shall~~
 28 **must** be made under oath.

29 (3) To be eligible for an occupational license, an applicant



1 ~~shall~~**must meet all of the following:**

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

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

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

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

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

15 (d) Not have been convicted of a misdemeanor involving
16 gambling, dishonesty, theft, or fraud in any state or any violation
17 of a local ordinance in any state involving gambling, dishonesty,
18 theft, or fraud that substantially corresponds to a misdemeanor in
19 that state. **The board may waive the requirements in this**
20 **subdivision if the conviction occurred more than 5 years before the**
21 **applicant applies for a license under this section and the board is**
22 **convinced of both of the following:**

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

25 (ii) **That the applicant otherwise meets the requirements of**
26 **subsection (2).**

27 (4) Each application for an occupational license ~~shall~~**must** be
28 on a form prescribed by the board and ~~shall~~contain all information
29 required by the board. The applicant shall set forth in the



1 application whether he or she has been issued prior gambling
2 related licenses; whether he or she has been licensed in any other
3 state under any other name, and, if so, the name under which the
4 license was issued and his or her age at the time the license was
5 issued; and whether or not a permit or license issued to him or her
6 in any other state has been suspended, restricted, or revoked, and,
7 if so, the cause and the duration of each ~~action~~**-suspension,**
8 **restriction, or revocation.**

9 (5) Each applicant shall submit with his or her application,
10 on a form provided by the board, 2 sets of his or her fingerprints
11 and a photograph. The board shall charge each applicant an
12 application fee set by the board to cover all actual costs of
13 administering the act relative to costs generated by each licensee
14 and all background checks.

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

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

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

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

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

28 (e) The applicant has filed, or had filed against it, a
29 proceeding for bankruptcy or has ever been involved in any formal



1 process to adjust, defer, suspend, or otherwise work out the
2 payment of any debt.

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

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

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

11 ~~(i) The applicant or affiliate owns more than a 10% ownership~~
12 ~~interest in any entity holding a casino license issued under this~~
13 ~~act.~~

14 (i) ~~(j)~~The board concludes that the applicant lacks the
15 requisite suitability as to integrity, moral character, and
16 reputation; personal probity; financial ability and experience; or
17 responsibility.

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

23 (k) ~~(l)~~The applicant is unqualified to perform the duties
24 required of the license.

25 (l) ~~(m)~~The applicant has been found guilty of a violation of
26 this act.

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



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

3 (a) Violation of this act.

4 (b) Violation of any ~~of the rules~~ **rule** promulgated by the
5 board.

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

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

10 (e) Any other just cause.

11 (8) A license issued ~~pursuant to~~ **under** this section ~~shall be~~
12 **is** valid for a period of 2 years from the date ~~of issuance.~~ **the**
13 **license is issued.**

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

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

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

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

29 (2) Employees of the board, the department of state police,



1 and the department of attorney general may inspect any casino at
 2 any time, without notice, ~~for the purpose of determining to~~
 3 **determine** whether this act or rules promulgated by the board are
 4 being complied with.

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

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

12 (5) Persons licensed under this act shall **not** permit ~~no~~ **any**
 13 form of wagering on gambling games except as permitted by ~~this~~
 14 **act-law**.

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

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

21 (8) All ~~tokens, chips, or~~ electronic cards used to make
 22 wagers ~~shall~~ **must** be purchased from a ~~licensed owner in the casino.~~
 23 **licensee**. The ~~tokens, chips, or~~ electronic cards may be purchased
 24 by means of an agreement under which the owner extends credit to
 25 the patron. ~~Such tokens, The~~ chips ~~or~~ electronic cards may be
 26 used ~~only while in a casino and only for the purpose of making~~
 27 wagers on ~~gaming~~ **gambling** games.

28 (9) A person ~~under age~~ **who is less than 21** ~~shall~~ **years old is**
 29 not ~~be~~ permitted in an area of a casino where gaming is being



1 conducted, except for a person ~~at least~~ 18 years of age **or older**
 2 who is an employee of the gaming operation. An employee ~~under the~~
 3 ~~age of~~ **who is less than 21 years old** shall not perform any function
 4 involved in gambling by the patrons. A person ~~under age~~ **who is less**
 5 **than 21** ~~shall~~ **years old is** not be permitted to make a wager under
 6 this act.

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

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

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

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

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

20 (c) A financial institution or a branch of a financial
 21 institution.

22 (d) A pawnshop.

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

28 (14) A casino licensee shall not employ an individual **who has**
 29 **been convicted of a felony in the previous 5 years** as a managerial



1 ~~employee who has been convicted of a felony in the previous 5 years~~
 2 ~~to work~~ in a casino.

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

7 (2) A person who holds a casino license shall not install,
 8 own, or operate or allow another person to install, own, or operate
 9 on the premises of the casino a game that is played with a device
 10 that allows a player to operate the game by transferring funds
 11 electronically from a credit or debit card. **This subsection does**
 12 **not apply to sports betting.**

13 (3) As used in this section, "electronic funds transfer
 14 terminal" means an information processing device used for the
 15 purpose of executing deposit account transactions between financial
 16 institutions and their customers by either the direct transmission
 17 of electronic impulses or the recording of electronic impulses for
 18 delayed processing. The fact that a device is used for other
 19 purposes does not prevent it from being an electronic funds
 20 transfer terminal **except a player's mobile or other personal device**
 21 **is not an electronic funds transfer terminal.**

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

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

29 Sec. 9c. (1) A person who holds a casino license issued



1 ~~pursuant to~~**under** this act shall conspicuously post at each
 2 entrance and exit of the casino, on each electronic funds transfer
 3 terminal, and at each credit location a visually prominent sign on
 4 which is printed a toll-free compulsive gaming helpline number.

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

8 Sec. 12. (1) **A** wagering tax is imposed on the adjusted gross
 9 receipts received by ~~the~~**a casino** licensee from gaming authorized
 10 under this act at the rate of 18%. If a city exercises either of
 11 the options in subsection (4), the tax rate under this subsection
 12 ~~shall be~~**is** 8.1% and **must be** deposited in the state school aid fund
 13 to provide additional funds for K-12 classroom education. If ~~the~~**a**
 14 city rescinds or is otherwise unable to exercise 1 of the options
 15 in subsection (4), the tax rate under this subsection ~~shall be~~**is**
 16 18%. A tax rate of 18% imposed under this subsection ~~shall cover~~
 17 **covers** any period for which the city does not or is unable to
 18 exercise 1 of the options in subsection (4).

19 (2) The state casino gaming fund is created in the department.
 20 ~~of treasury.~~The fund shall be administered by the department in
 21 accordance with this act. Except as provided in sections 12a and
 22 13, the taxes imposed under this section plus all other fees,
 23 fines, and charges imposed by ~~the~~**this** state ~~shall~~**under this act**
 24 **must** be deposited into the state casino gaming fund. ~~The~~**A casino**
 25 **licensee shall remit the** wagering tax ~~is to be remitted daily by~~
 26 ~~the holder of a casino license to the department of treasury~~**daily**
 27 by electronic wire transfer of funds. The ~~state~~**department** shall
 28 remit the city's portion of the wagering tax to the city daily by
 29 electronic wire transfer of funds as provided by this act.



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

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

7 (i) The hiring, training, and deployment of street patrol
 8 officers.

9 (ii) Neighborhood and downtown economic development programs
 10 designed to create local jobs.

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

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

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

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

18 (vii) The costs of capital improvements.

19 (viii) Road repairs and improvements.

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

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

26 (a) In the development agreement into which the city is
 27 entitled to enter, include a provision that requires the licensee
 28 located in the city to pay the city a payment equal to 9.9% of the
 29 adjusted gross receipts received by the **casino** licensee from gaming



1 authorized under this act.

2 (b) By ordinance, levy, assess, and collect an excise tax upon
3 licensees located in the city at a rate of 9.9% of the adjusted
4 gross receipts received by the **casino** licensee from gaming
5 authorized under this act.

6 (5) Subject to subsections (6) to (8), a wagering tax in
7 addition to the tax imposed in subsection (1) is imposed on the
8 adjusted gross receipts received by a licensee from gaming
9 authorized under this act at the rate of 6%. Money from the tax
10 imposed under this subsection that has been deposited in the state
11 casino gaming fund ~~shall~~**must** be allocated 1/3 to the city in which
12 the licensee's casino is located for use in connection with the
13 purposes listed in subsection (3) (a), 7/12 to the general fund, and
14 1/12 to the Michigan agriculture equine industry development fund.
15 The city may collect its share of the tax under this subsection
16 directly using 1 of the methods in subsection (4). For a period
17 during which the licensee is paying the city's share of the tax
18 under this subsection directly to the city under either of the
19 methods in subsection (4), the payment to the state casino gaming
20 fund under this subsection ~~shall be~~**is** 4% and ~~shall~~**must** be
21 allocated 7/8 to the general fund and 1/8 to the Michigan
22 agriculture equine industry development fund.

23 (6) Subject to subsections (7) and (8), and unless an act of
24 God, a war, a disaster, or an act of terrorism directly and
25 substantially impacts the ability of ~~the~~**a casino** licensee to
26 complete construction of its casino and casino enterprise, if a
27 casino licensee is not fully operational by each of the following
28 dates, the tax on the **casino** licensee under subsection (5) ~~shall be~~
29 **is** as follows:



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

4 (b) July 1, 2010, 8%, allocated 7/16 to the general fund, 1/16
 5 to the Michigan agriculture equine industry development fund, and
 6 1/2 to the city in which the licensee's casino is located.

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

10 (7) Subject to subsection (8), and irrespective of whether
 11 there has been an increase under subsection (6), after a casino
 12 licensee has been fully operational for 30 consecutive days, the
 13 **casino** licensee may apply to the board for certification under this
 14 subsection. If the board determines that a **casino** licensee that
 15 makes an application under this subsection has been fully
 16 operational and in compliance with its development agreement that
 17 is in existence on July 1, 2004 or a subsequent original
 18 development agreement, for at least 30 consecutive days, the board
 19 shall certify the **casino** licensee under this subsection, and the
 20 tax imposed on the **casino** licensee under subsection (5), as
 21 adjusted, if applicable, by subsection (6), shall be, retroactive
 22 to the first day of the 30 consecutive day period that the **casino**
 23 licensee was fully operational, reduced to 1% and ~~shall~~**must** be
 24 allocated entirely to the city where the licensee operates its
 25 casino.

26 (8) If the McCauley-Traxler-Law-Bowman-McNeely lottery act,
 27 1972 PA 239, MCL 432.1 to 432.47, is amended to allow the operation
 28 of video lottery at horse racetracks in this state, and if video
 29 lottery is being conducted at horse racetracks in this state, the



1 **casino** licensee is no longer obligated to pay the wagering tax
2 under subsections (5) to (7).

3 (9) Notwithstanding section 9b, if the McCauley-Traxler-Law-
4 Bowman-McNeely lottery act, 1972 PA 239, MCL 432.1 to 432.47, is
5 amended to allow the operation of video lottery at horse racetracks
6 in this state, and if video lottery is being conducted at horse
7 racetracks in this state, a casino licensee may, after obtaining
8 approval from the board, apply to the racing commissioner for
9 authorization to simulcast horse races under the horse racing law
10 of 1995, 1995 PA 279, MCL 431.301 to 431.336. A casino licensee
11 that is authorized under this subsection ~~shall display and allow~~
12 ~~wagering on simulcast horse races only at the licensee's casino and~~
13 shall comply with all applicable provisions of the horse racing law
14 of 1995, 1995 PA 279, MCL 431.301 to 431.336, rules promulgated
15 under that act, and the written permit to conduct simulcasting and
16 any related order issued to the **casino** licensee by the racing
17 commissioner. Simulcasting and wagering under this subsection are
18 under the primary control of the racing commissioner, and the
19 racing commissioner may revoke or suspend the authorization of or
20 take other disciplinary action against the **casino** licensee for
21 failing to comply with a law, rule, permit, or order as required by
22 this subsection. However, the simulcasting and wagering under this
23 subsection is part of the licensee's casino operation under this
24 act and subject to the same control by the board as are other parts
25 of the licensee's casino operation. The board may take disciplinary
26 action under section 4a against a casino licensee for failure to
27 comply with a law, rule, permit, or order as required by this
28 subsection.

29 (10) A casino licensee is entitled to the same commission from



1 money wagered on horse races simulcast by the licensee as a race
2 meeting licensee is entitled to receive from wagering on simulcast
3 horse races under the horse racing law of 1995, 1995 PA 279, MCL
4 431.301 to 431.336. The same taxes, fees, and other deductions
5 ~~shall~~**must** be subtracted and paid from the licensee's commission as
6 are subtracted and paid from a race meeting licensee's commission
7 under the horse racing law of 1995, 1995 PA 279, MCL 431.301 to
8 431.336.

9 (11) Payments to a city under 1 of the methods in subsection
10 (4) ~~shall~~**must** be made in a manner, at those times, and subject to
11 reporting requirements and penalties and interest for delinquent
12 payment as may be provided for in the development agreement if the
13 payment is required under a development agreement, or by ordinance
14 if the payment is required for a tax levied by the city. Payments
15 required under the method described in subsection (4) (a) may be in
16 addition to any other payments ~~which~~**that** may be required in the
17 development agreement for the conveyance of any interest in
18 property, the purchase of services, or the reimbursement of
19 expenses. Payments to a city under the method described in
20 subsection (4) ~~shall~~**must** be used by the city for the purposes
21 listed in subsection (3) (a).

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

27 (13) The taxes imposed under this section and any tax imposed
28 under section 13(2) ~~shall~~**must** be administered by the department of
29 treasury in accordance with 1941 PA 122, MCL 205.1 to 205.31, and



1 this act. In case of conflict between the provisions of 1941 PA
2 122, MCL 205.1 to 205.31, and this act, the provisions of this act
3 prevail.

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

6 (15) If internet sports betting or other forms of internet
7 gaming are authorized and regulated by other laws of this state,
8 any taxes, payments, and fees relating to such internet wagers
9 received by a casino licensee and such internet gaming are subject
10 to those other laws of this state.

11 (16) Except as otherwise provided in subsection (15), and in
12 lieu of the taxes and fees **that** otherwise **would be** imposed under
13 this act **on sports betting**, a wagering tax of 8.4% is imposed on
14 the qualified adjusted gross receipts received by a casino licensee
15 from any form of sports betting conducted under this act. Wagering
16 taxes paid under this subsection must be allocated as provided in
17 subsection (3). As used in this subsection:

18 (a) "Gross sports betting receipts" means the total of all
19 sums, including, but not limited to, valid or invalid checks, valid
20 or invalid credit or debit card deposits, valid or invalid ACH
21 deposits, currency, coupons, free play or promotional credits,
22 redeemable credits, vouchers, entry fees assessed for tournaments
23 or other contests, or instruments of monetary value whether
24 collected or uncollected, in each case actually wagered by **a person**
25 **authorized by law to participate in sports betting** at or with a
26 casino licensee on sports betting, less all of the following:

27 (i) Winnings.

28 (ii) Amounts returned to **a person authorized by law to**
29 **participate in sports betting** due to a game, platform, or system



1 malfunction or because the sports bet must be voided due to
2 concerns regarding integrity of the wager or game.

3 (iii) Uncollectible markers or successfully disputed credit or
4 debit card charges that were previously included in the computation
5 of gross sports betting receipts.

6 (b) "Qualified adjusted gross receipts" means gross sports
7 betting receipts minus the monetary value of free play provided to
8 and wagered by persons authorized by law to participate in sports
9 betting as an incentive to place or as a result of their having
10 placed sports betting wagers.

11 (17) Notwithstanding subsection (15), if a casino licensee
12 provides a wagerer with a device to conduct internet gaming while
13 at the casino, the taxes otherwise provided for under subsections
14 (1) to (14), not to exceed 19%, are imposed on the adjusted gross
15 receipts received by the casino licensee from the wagerer's
16 internet gaming on the device. This subsection does not apply to
17 sports betting.

18 (18) A casino licensee shall provide to the board a monthly
19 report to include all of the following regarding its gaming
20 operations under this act by game category, such as slots, poker
21 and table games, and sports betting by sport:

22 (a) Total amount of wagers received.

23 (b) Winnings.

24 (c) Free play redeemed.

25 (d) Deductions.

26 (e) Adjusted gross receipts.

27 (19) The board shall provide the report under subsection (18)
28 to the department and state budget office on request. In addition,
29 the department and the state budget office may request additional



1 information from the casino licensees that is directly related to,
 2 and for the purposes of verification of, the financial data
 3 provided under subsection (18) (a) and (b), which must be provided
 4 within 60 days after the request. All information provided under
 5 this section is confidential and proprietary and is exempt from
 6 disclosure under the freedom of information act, 1976 PA 442, MCL
 7 15.231 to 15.246.

8 (20) This section does not impair the contractual rights under
 9 an existing development agreement between a city and a casino
 10 licensee.

11 (21) ~~(15)~~As used in this section:

12 (a) "Fully operational" means that a certificate of occupancy
 13 has been issued to the casino licensee for the operation of a hotel
 14 with not fewer than 400 guest rooms and, after issuance of the
 15 certificate of occupancy, the casino licensee's casino, casino
 16 enterprise, and 400-guest-room hotel have been opened and made
 17 available for public use at their permanent location and maintained
 18 in that status.

19 (b) "Michigan agriculture equine industry development fund"
 20 means the Michigan agriculture equine industry development fund
 21 created in section 20 of the horse racing law of 1995, 1995 PA 279,
 22 MCL 431.320.

23 Sec. 12a. (1) In addition to application and license fees
 24 described in this act, all regulatory and enforcement costs,
 25 compulsive gambling programs, casino-related programs and
 26 activities, casino-related legal services provided by the attorney
 27 general, and the casino-related expenses of the department of state
 28 police ~~shall~~**must** be paid by casino licensees as provided by this
 29 section.



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

4 (3) The total annual assessment required under this subsection
 5 ~~shall~~ **must** be adjusted each year by multiplying the annual
 6 assessment for the immediately preceding year by the Detroit
 7 ~~consumer price index~~ **Consumer Price Index** for the immediately
 8 preceding year. As used in this subsection, "Detroit ~~consumer price~~
 9 ~~index~~" **Consumer Price Index**" means the annual consumer price index
 10 for Detroit consumers as defined and reported by the United States
 11 ~~department~~ **Department** of labor, ~~bureau~~ **Labor, Bureau** of labor
 12 ~~statistics~~ **Labor Statistics**.

13 (4) On or before the date ~~the~~ **a** casino licensee begins
 14 operating ~~the~~ **its** casino and annually on that date thereafter, ~~each~~
 15 **the** casino licensee shall pay to the state treasurer an equal share
 16 of the total annual assessment required under this section. ~~In no~~
 17 ~~event shall~~ **a** casino's assessment **must not** exceed 1/3 of the
 18 total annual assessment required under this section.

19 (5) From the amount collected under subsection (4),
 20 \$2,000,000.00 ~~shall~~ **must** be deposited in the compulsive gaming
 21 prevention fund.

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

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

29 (8) The balance of the state services fee fund ~~shall~~ **must** not



1 exceed \$65,000,000.00. If the ~~funds~~**money** collected under this
 2 section would cause the balance to exceed the limitation of this
 3 subsection, the surplus ~~funds shall~~**money must** be credited in equal
 4 shares against each casino licensee's annual assessment made under
 5 **this** section. ~~12a.~~

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

10 Sec. 14. Within ~~30~~**90** days after the end ~~of each quarter~~ of
 11 each fiscal year each casino licensee shall transmit to the board
 12 and to the city **in which the licensee's casino is located** an audit
 13 of the financial condition of the licensee's total operations. ~~All~~
 14 ~~audits shall~~**An audit under this section must** be conducted by a
 15 certified public accountant in a manner and form prescribed by the
 16 board. ~~Each~~**The** certified public accountant ~~shall~~**that performs the**
 17 **audit must** be registered in ~~the~~**this** state ~~of Michigan~~ under
 18 article 7 of the occupational code, 1980 PA 299, MCL ~~339.701 to~~
 19 ~~339.715.~~**339.720 to 339.736.** The **licensee shall pay the**
 20 compensation for ~~each~~**the** certified public accountant ~~shall be paid~~
 21 directly ~~by the licensee~~ to the certified public accountant.

22 Sec. 18. (1) A person is guilty of a felony punishable by
 23 imprisonment for not more than 10 years or a fine of not more than
 24 \$100,000.00, or both, and ~~shall be~~**is** barred from receiving or
 25 maintaining a license **under this act** for doing any of the
 26 following:

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

29 (b) Conducting a gambling operation ~~where~~**in which** wagering is



1 permitted other than in the manner specified in section 9.

2 (c) Knowingly making a false statement on an application for
3 ~~any-a~~ license ~~provided in-under~~ this act or a written document
4 provided under oath in support of a proposal for a development
5 agreement.

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

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

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

16 (2) A person commits a felony punishable by imprisonment for
17 not more than 10 years or a fine of not more than \$100,000.00, or
18 both, and, in addition, ~~shall be~~ **is** barred for life from a gambling
19 operation under the jurisdiction of the board if the person does
20 any of the following:

21 (a) Offers, promises, or gives anything of value or benefit to
22 a person who is connected with a licensee or affiliated company,
23 including, but not limited to, an officer or employee of a casino
24 licensee or holder of an occupational license pursuant to an
25 agreement or arrangement or with the intent that the offer,
26 promise, or thing of value or benefit will influence the actions of
27 the person to whom the offer, promise, or gift was made in order to
28 affect or attempt to affect the outcome of a gambling game, or to
29 influence official action of a member of the board.



1 (b) Solicits or knowingly accepts or receives a promise of
 2 anything of value or benefit while the person is employed by or
 3 connected with a licensee, including, but not limited to, an
 4 officer or employee of a casino licensee or holder of an
 5 occupational license, pursuant to an understanding or arrangement
 6 or with the intent that the promise or thing of value or benefit
 7 will influence the actions of the person to affect or attempt to
 8 affect the outcome of a gambling game.

9 (c) Offers, promises, or gives anything of value or benefit to
 10 a member, employee, or agent of the board or an official of ~~any a~~
 11 state or local agency or governmental body with the intent that the
 12 offer, promise, or thing of value or benefit will influence the
 13 official action of the person to whom the offer, promise, or gift
 14 was made pertaining to a city development agreement, or
 15 administering, licensing, regulating, or enforcing this act.

16 (d) Solicits or knowingly accepts or receives a promise of
 17 anything of value or benefit while the person is a member,
 18 employee, or agent of the board, or an official of any state or
 19 local agency or governmental body, pursuant to an understanding or
 20 arrangement or with the intent that the promise or thing of value
 21 or benefit will influence the official action of the member,
 22 employee, or agent of the board or official of the state or local
 23 governmental body pertaining to a city development agreement, or
 24 enforcing this act.

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

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

29 (ii) ~~Keeping~~ **Keeps** track of the cards played in a gambling



1 game.

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

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

6 (f) Cheats at a gambling game.

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

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

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

16 (j) Claims, collects, takes, or attempts to claim, collect, or
17 take money or anything of value in or from ~~the a gambling games,~~
18 **game**, with intent to defraud, without having made a wager
19 contingent on winning ~~a the~~ gambling game, or claims, collects, or
20 takes an amount of money or thing of value of greater value than
21 the amount won.

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

23 (l) Possesses a key or device designed for the purpose of
24 opening, entering, or affecting the operation of a gambling game,
25 drop box, or an electronic or mechanical device connected with the
26 gambling game or for removing coins, ~~tokens,~~ chips, or other
27 contents of a gambling game. This subdivision does not apply to a
28 ~~gambling casino~~ licensee or employee of a ~~gambling casino~~ licensee
29 acting in furtherance of the employee's employment.



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

5 (a) Knowingly making a wager if the person is under 21 years
 6 of age or permitting a person under 21 years **of age** to make a
 7 wager.

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

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

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

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

20 **(e)** ~~(f)~~ Leasing, pledging, borrowing, or loaning money against
 21 a casino, supplier, or occupational license.

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

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

29 Sec. 21. **(1)** When the board is authorized or required by law



1 to consider some aspect of criminal history record ~~information~~
2 **check** for the purpose of carrying out its statutory powers and
3 responsibilities, the board shall ~~, in the form and manner required~~
4 ~~by the department of state police and the federal bureau of~~
5 ~~investigation, cause to be conducted a criminal history record~~
6 ~~investigation to obtain any information currently or subsequently~~
7 ~~contained in the files of the department of state police or the~~
8 ~~federal bureau of investigation. The department of state police~~
9 ~~shall provide all criminal record information requested by the~~
10 ~~board for any person who is an applicant for or a holder of a~~
11 ~~license.~~**require the person, even if the person is a prospective or**
12 **existing employee, agent of the board, or contractor working for or**
13 **on behalf of the board, to submit his or her fingerprints for**
14 **review by the department of state police and the Federal Bureau of**
15 **Investigation for the criminal history record check, in the form**
16 **and manner required by the department of state police and the**
17 **Federal Bureau of Investigation to obtain any information currently**
18 **or subsequently contained in the files of the department of state**
19 **police or the Federal Bureau of Investigation. The department of**
20 **state police shall provide all criminal history record check**
21 **requested by the board for any person, including, but not limited**
22 **to, a prospective or existing employee, agent of the board, or**
23 **contractor working for or on behalf of the board. The department of**
24 **state police may charge the board a fee for a criminal history**
25 **record check required under this section. The board is not**
26 **authorized to share the criminal history record check with a**
27 **private entity.**

28 (2) The department of state police shall store and retain all
29 fingerprints submitted under this act in an automated fingerprint



1 identification system that provides for an automatic notification
2 if new criminal arrest information matches fingerprints previously
3 submitted under this act. Upon that notification, the department of
4 state police shall immediately notify the board. The fingerprints
5 retained under this act may be searched against future fingerprint
6 submissions, and any relevant results will be shared with the
7 board.

8 (3) When the department of state police is able to participate
9 in the Federal Bureau of Investigation's automatic notification
10 system, all fingerprints submitted to the Federal Bureau of
11 Investigation may be stored and retained by the Federal Bureau of
12 Investigation in its automatic notification system. The automatic
13 notification system provides for automatic notification if new
14 criminal arrest information matches fingerprints previously
15 submitted to the Federal Bureau of Investigation under this act. If
16 the department of state police receives a notification from the
17 Federal Bureau of Investigation under this act, the department of
18 state police shall immediately notify the board.

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

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

28 (3) The board shall create and make available an application
29 for placement on the list of disassociated persons. The application



1 ~~shall~~**must** include all of the following information about the
2 individual who is applying:

3 (a) Full name and all aliases.

4 (b) Physical description including height, weight, hair and
5 eye color, skin color, and any other noticeable physical
6 characteristics.

7 (c) Occupation.

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

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

10 (f) Date of birth.

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

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

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

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

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

21 (b) The application has been verified by a representative of
22 the board.

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

28 (d) The individual signs a form releasing ~~the~~**this** state, ~~of~~
29 ~~Michigan,~~ the board, and the casino licensees from any injury the



1 individual suffers as a consequence of placing his or her name on
2 the list of disassociated persons.

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

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

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

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

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

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

25 (8) Each casino licensee in this state shall submit to the
26 board a plan for disseminating the information contained in the
27 applications for placement on the list of disassociated persons.
28 The board shall approve the plan. The plan ~~shall~~**must** be designed
29 to safeguard the confidentiality of the information but ~~shall~~**must**



1 include dissemination to all of the following:

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

4 (b) All security and surveillance personnel.

5 (c) The department of state police.

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

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

23 ~~(a) Immediately remove the individual from the casino~~
24 ~~premises.~~

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

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

29 (12) The board shall promulgate rules to implement and



1 administer this act.

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

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

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

12 Enacting section 1. Sections 7b, 8a, and 10 of the Michigan
13 Gaming Control and Revenue Act, 1996 IL 1, MCL 432.207b, 432.208a,
14 and 432.210, are repealed.

