

HOUSE BILL NO. 5085

October 04, 2023, Introduced by Reps. Markkanen, Jaime Greene, Cavitt, Rigas, Prestin, Hoadley and Martin and referred to the Committee on Regulatory Reform.

A bill to amend 1972 PA 382, entitled "Traxler-McCauley-Law-Bowman bingo act," by amending section 7a (MCL 432.107a), as amended by 1999 PA 108, and by adding sections 7e, 7f, and 7g.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 7a. (1) All charity game tickets used in the conduct of a
2 charity game ~~shall~~**must** be purchased by the qualified organization
3 from the bureau or a supplier.

4 (2) The bureau shall determine the number of charity game

1 tickets that constitute a charity game.

2 (3) The bureau shall determine the price at which ~~the a~~
3 qualified organization ~~shall may~~ resell ~~each a~~ charity game ticket
4 and shall have that price printed on each charity game ticket.

5 (4) The bureau or a supplier shall sell charity game tickets
6 to a qualified organization that is eligible to conduct a charity
7 game at a percentage, to be determined by the bureau, of the gross
8 revenues that are realized by the resale of all the charity game
9 tickets for that game at the price established by the bureau.

10 (5) ~~The~~ **Except as otherwise provided in section 7e, a**
11 qualified organization shall retain 60% and the bureau shall retain
12 40% of the money obtained from the sale of charity game tickets.

13 (6) A qualified organization that conducts a charity game
14 ~~shall be is~~ solely responsible for paying prizes won by purchasers
15 of winning charity game tickets.

16 (7) When all charity game tickets for a single charity game
17 are resold, prizes distributed ~~shall must~~ have an aggregate value
18 of, as near as practicable, not less than 60% of the resale value
19 of all the charity game tickets for that charity game.

20 (8) The bureau shall determine the number of winning charity
21 game tickets provided on a random basis for resale for any 1
22 charity game and shall establish the value of the prize won by each
23 winning charity game ticket.

24 (9) A charity game ticket ~~shall must~~ not have a price for
25 resale by a qualified organization of less than 30 cents.

26 (10) ~~The~~ **Except as otherwise provided in section 7e, the**
27 bureau shall have a bureau control number for identification
28 purposes imprinted ~~upon on~~ each charity game ticket.

29 (11) ~~A~~ **The** value of prizes awarded for a charity game ~~shall~~

1 **must** not be included ~~within~~**in** the prize limitations of a licensed
 2 bingo game or millionaire party in conjunction with which the
 3 charity game is held.

4 (12) A **person shall not sell a** charity game ticket ~~shall not~~
 5 ~~be sold to a person under~~ **to an individual who is less than** 18
 6 years of age. This subsection ~~shall~~**does** not prohibit the purchase
 7 of a charity game ticket by ~~a person~~**an individual who is** 18 years
 8 of age or older for the purpose of making a gift to ~~a person under~~
 9 **an individual who is less than** 18 years of age, and ~~shall~~**does** not
 10 prohibit ~~a person under~~**an individual who is less than** 18 years of
 11 age from receiving a prize or prizes won in a charity game
 12 conducted ~~pursuant to~~**under** this act.

13 **Sec. 7e. (1) A qualified organization that holds a charity**
 14 **game license may conduct a charity game using a charity game ticket**
 15 **dispenser that reads each ticket and displays the results in video**
 16 **animation. The bureau shall retain 40% of the money obtained from**
 17 **the sale of charity game tickets under this section to maintain and**
 18 **expand the program under this section. The bureau shall purchase**
 19 **the charity game ticket dispensers described in this section.**

20 (2) The net proceeds as described in section 9 from the sale
 21 of charity game tickets under this section must be allocated as
 22 follows:

23 (a) Forty-five percent to the qualified organization that
 24 conducted the charity game.

25 (b) If the qualified organization that conducted the charity
 26 game is a member of a qualified statewide organization, 5% to the
 27 qualified statewide organization. As used in this subdivision,
 28 "qualified statewide organization" means an organization that meets
 29 all of the following qualifications:

1 (i) The organization has a headquarters in this state.

2 (ii) The organization is a nonprofit organization. As used in
3 this subparagraph, "nonprofit organization" means an organization
4 that is exempt from taxation under section 501(c) of the internal
5 revenue code, 26 USC 501.

6 (iii) The organization has been operating for no fewer than 2
7 years.

8 (iv) The organization has no fewer than 2 full-time employees.

9 (c) If the qualified organization that conducted the charity
10 game is not a member of a qualified statewide organization under
11 subdivision (b), 5% to the Michigan charity gaming service fund
12 created in section 7g.

13 (d) Fifty percent to the charity game veterans fund created in
14 section 7f.

15 Sec. 7f. (1) The charity game veterans fund is created within
16 the state treasury.

17 (2) The state treasurer may receive money or other assets from
18 any source for deposit into the fund. The state treasurer shall
19 direct the investment of the fund. The state treasurer shall credit
20 to the fund interest and earnings from fund investments.

21 (3) Money in the fund at the close of the fiscal year must
22 remain in the fund and must not lapse to the general fund.

23 (4) The department of treasury is the administrator of the
24 fund for auditing purposes.

25 (5) The department of treasury shall expend money from the
26 fund, on appropriation, to provide grants to the National Guard
27 Association of Michigan. However, if the amount allocated to the
28 fund exceeds the designated amount in a fiscal year, the amount in
29 excess of the designated amount must be allocated as follows:

1 (a) To reimburse local taxing units that bear the loss of
2 revenue under section 7b of the general property tax act, 1893 PA
3 206, MCL 211.7b.

4 (b) Any remaining amount after the reimbursement under
5 subdivision (a) as follows:

6 (i) Fifty percent to county veteran affairs offices.

7 (ii) Fifty percent to the Michigan veterans coalition.

8 (6) As used in this section, "designated amount" is
9 \$3,000,000.00 for the fiscal year ending September 30, 2024. The
10 department of treasury shall adjust the designated amount annually
11 by the percentage increase in the Detroit Consumer Price Index for
12 the preceding calendar year and round to the nearest \$100.00. As
13 used in this subsection, "Detroit Consumer Price Index" means the
14 most comprehensive index of consumer prices available for the
15 Detroit area from the Bureau of Labor Statistics of the United
16 States Department of Labor.

17 Sec. 7g. (1) The Michigan charity gaming service fund is
18 created within the state treasury.

19 (2) The state treasurer may receive money or other assets from
20 any source for deposit into the fund. The state treasurer shall
21 direct the investment of the fund. The state treasurer shall credit
22 to the fund interest and earnings from fund investments.

23 (3) Money in the fund at the close of the fiscal year must
24 remain in the fund and must not lapse to the general fund.

25 (4) The department of treasury is the administrator of the
26 fund for auditing purposes.

27 (5) The department of treasury shall expend money from the
28 fund, on appropriation, to purchase and maintain charity game
29 ticket dispensers under section 7e.