

**TRAXLER-MCCAULEY-LAW-BOWMAN BINGO ACT (EXCERPT)**  
**Act 382 of 1972**

**432.109 Use of net proceeds of event; expenses.**

Sec. 9.

(1) Except as provided in subsection (2), the entire net proceeds of an event conducted under a license issued under this article must be devoted exclusively to the lawful purposes of the licensee. A licensee shall not incur or pay an item of expense in connection with holding, operating, or conducting an event except the following expenses in amounts that the commissioner determines to be reasonable:

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

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

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

(d) Janitorial services.

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

(f) Other reasonable expenses incurred by the licensee, not inconsistent with this article, as permitted by rule of the commissioner.

(2) A qualified organization described in section 3a(d)(ii) shall use the entire net proceeds of an event, after paying items of expense incurred in reasonable amounts in connection with the holding, operating, or conducting of the event and listed in subsection (1), only for the expense of training or purchasing goods or services for the support of the activities of the component.

**History:** 1972, Act 382, Eff. Apr. 1, 1973 ;-- Am. 1976, Act 193, Imd. Eff. July 15, 1976 ;-- Am. 1981, Act 229, Imd. Eff. Jan. 12, 1982 ;-- Am. 1999, Act 108, Eff. Mar. 10, 2000 ;-- Am. 2008, Act 401, Imd. Eff. Jan. 6, 2009 ;-- Am. 2019, Act 159, Imd. Eff. Dec. 20, 2019

**Compiler's Notes:** For transfer of the Bureau of State Lottery from the Department of Management and Budget to be an autonomous entity within the Department of Treasury, see E.R.O. No. 1991-2, compiled at MCL 12.161 of the Michigan Compiled Laws. For transfer of powers and duties of lottery commissioner and bureau of state lottery related to licensing and regulation of millionaire parties under bingo act to executive director of Michigan gaming control board, see E.R.O. No. 2012-3, compiled at MCL 432.91.

**Popular Name:** Bingo Act