

HOUSE BILL No. 4599

April 11, 1989, Introduced by Reps. Joe Young, Jr. and DeMars
and referred to the Committee on State Affairs.

A bill to amend sections 11 and 35 of Act No. 239 of the
Public Acts of 1972, entitled as amended
"McCauley-Traxler-Law-Bowman-McNeely lottery act,"
section 11 as amended by Act No. 55 of the Public Acts of 1987,
being sections 432.11 and 432.35 of the Michigan Compiled Laws.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Section 1. Sections 11 and 35 of Act No. 239 of the Public
2 Acts of 1972, section 11 as amended by Act No. 55 of the Public
3 Acts of 1987, being sections 432.11 and 432.35 of the Michigan
4 Compiled Laws, are amended to read as follows:

5 Sec. 11. (1) The commissioner shall promulgate rules pursu-
6 ant to the administrative procedures act of 1969, Act No. 306 of
7 the Public Acts of 1969, as amended, being sections 24.201 to
8 24.328 of the Michigan Compiled Laws, as necessary to implement
9 this act.

1 (2) The rules may include:

2 (a) The type of lottery to be conducted.

3 (b) The price of tickets or shares in the lottery.

4 (c) The number and size of the prizes on the winning tickets
5 or shares.

6 (d) The manner of selecting the winning tickets or shares.

7 (e) The manner of payment of prizes to the holders of win-
8 ning tickets or shares, subject to section 32.

9 (f) The frequency of the drawings or selections of winning
10 tickets or shares.

11 (g) Without limit as to number, the type or types of loca-
12 tions at which tickets or shares may be sold.

13 (h) The method to be used in selling tickets or shares,
14 except that no person's name shall be printed on such tickets or
15 shares.

16 (i) The licensing of agents to sell tickets or shares but a
17 person under the age of 18 shall not be licensed as an agent.

18 ~~(j) The manner and amount of compensation to be paid~~
19 ~~licensed sales agents necessary to provide for the adequate~~
20 ~~availability of tickets or shares to prospective buyers and for~~
21 ~~the convenience of the public.~~

22 (J) ~~(k)~~ The apportionment of the total annual revenues
23 accruing from the sale of lottery tickets or shares and from all
24 other sources for the payment of prizes to the holders of winning
25 tickets or shares, for the payment of costs incurred in the oper-
26 ation and administration of the lottery, including the expenses
27 of the bureau and the costs resulting from any contract or

1 contracts entered into for promotional, advertising, consulting
2 or operational services or for the purchase or lease of lottery
3 equipment and materials, for the repayment of the ~~moneys~~ MONEY
4 appropriated to the state lottery fund and for transfer to the
5 general fund.

6 Sec. 35. (1) AN AGENT LICENSED UNDER SECTION 23 IS ENTITLED
7 TO RETAIN A COMMISSION IN AN AMOUNT EQUAL TO 10% OF THE TICKETS
8 SOLD BY THE AGENT.

9 (2) The commissioner shall require that all ~~moneys~~ MONEY
10 collected from the sale of lottery tickets, LESS THE AGENT'S COM-
11 MISSION AS DESCRIBED IN SUBSECTION (1), be deposited in banks,
12 savings and loan associations, and credit unions to the credit of
13 the state as designated by the state treasurer. Each deposit
14 shall be accompanied by a report of the agent's receipts and
15 transactions in the sale of lottery tickets and containing such
16 information as the commissioner may require. The commissioner
17 may make such arrangements for banks, savings and loan associa-
18 tions, and credit unions to perform ~~such~~ functions, activities,
19 or services in connection with the operation of the lottery as
20 ~~he~~ THE COMMISSIONER deems advisable pursuant to this act and
21 the rules PROMULGATED UNDER THIS ACT, and the functions, activi-
22 ties, or services shall constitute lawful functions, activities,
23 and services of banks, savings and ~~loans~~ LOAN associations, and
24 credit unions.