

HOUSE BILL No. 6180

November 8, 1990, Introduced by Rep. Joe Young, Jr. and referred to the Committee on State Affairs.

A bill to amend sections 9 and 11 of Act No. 239 of the Public Acts of 1972, entitled as amended

"McCauley-Traxler-Law-Bowman-McNeely lottery act,"

section 9 as amended by Act No. 62 of the Public Acts of 1987 and section 11 as amended by Act No. 55 of the Public Acts of 1987, being sections 432.9 and 432.11 of the Michigan Compiled Laws.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Section 1. Sections 9 and 11 of Act No. 239 of the Public
2 Acts of 1972, section 9 as amended by Act No. 62 of the Public
3 Acts of 1987 and section 11 as amended by Act No. 55 of the
4 Public Acts of 1987, being sections 432.9 and 432.11 of the
5 Michigan Compiled Laws, are amended to read as follows:

6 Sec. 9. (1) The commissioner shall initiate, establish, and
7 operate a state lottery at the earliest feasible and practicable
8 time. The lottery shall produce the maximum amount of net

1 revenues for the state consonant with the general welfare of the
2 people. The commissioner shall solicit bids from financially
3 responsible vendors of data processing equipment and services for
4 the operation of the lottery and may contract with the approval
5 of the state administrative board.

6 (2) THE COMMISSIONER SHALL NOT ESTABLISH OR ENTER INTO ANY
7 AGREEMENT FOR A LOTTERY INVOLVING 1 OR MORE STATES OTHER THAN THE
8 STATE OF MICHIGAN EXCEPT UNDER CONDITIONS AS ESTABLISHED IN RULES
9 AS FURTHER DESCRIBED IN SECTION 11(3).

10 Sec. 11. (1) The commissioner shall promulgate rules pursu-
11 ant to the administrative procedures act of 1969, Act No. 306 of
12 the Public Acts of 1969, as amended, being sections 24.201 to
13 24.328 of the Michigan Compiled Laws, as necessary to implement
14 this act.

15 (2) The rules may include:

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

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

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

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

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

23 (f) The frequency of the drawings or selections of winning
24 tickets or shares.

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

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

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

6 (j) The manner and amount of compensation to be paid
7 licensed sales agents necessary to provide for the adequate
8 availability of tickets or shares to prospective buyers and for
9 the convenience of the public.

10 (k) The apportionment of the total annual revenues accruing
11 from the sale of lottery tickets or shares and from all other
12 sources for the payment of prizes to the holders of winning tick-
13 ets or shares, for the payment of costs incurred in the operation
14 and administration of the lottery, including the expenses of the
15 bureau and the costs resulting from any contract or contracts
16 entered into for promotional, advertising, consulting or oper-
17 ational services or for the purchase or lease of lottery equip-
18 ment and materials, for the repayment of the moneys appropriated
19 to the state lottery fund and for transfer to the general fund.

20 (3) IF THE COMMISSIONER DESIRES TO ESTABLISH OR ENTER INTO
21 AN AGREEMENT FOR A LOTTERY INVOLVING 1 OR MORE STATES OTHER THAN
22 THE STATE OF MICHIGAN, THE COMMISSIONER SHALL FIRST PROMULGATE
23 RULES WHICH SHALL INCLUDE, BUT NOT BE LIMITED TO, SPECIFIC TERMS,
24 CONDITIONS, AND STANDARDS OF OPERATION OF SUCH A LOTTERY.