

**Michigan Office of Administrative Hearings and Rules
Administrative Rules Division (ARD)**

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REQUEST FOR RULEMAKING (RFR)

1. Department:

Treasury

2. Bureau:

Bureau of State Lottery

3. Promulgation type:

Full Process

4. Title of proposed rule set:

Charitable Gaming

5. Rule numbers or rule set range of numbers:

R 432.21301, R 432.21312, R 432.21313, R 432.21314, R 432.21317, R 432.21321, R 432.21322,
R 432.213

6. Estimated time frame:

6 months

Name of person filling out RFR:

Mike Gallagher

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7. Describe the general purpose of these rules, including any problems the changes are intended to address.

These rules allow bingos to be conducted with a random number generator; allow the use of an alternative method for players to declare a bingo; allow unclaimed raffle prizes for in-house raffles conducted using a method approved by the bureau to be disbursed to a charitable organization; amend the compensation a licensee may provide its workers; amend the financial reporting requirements of licensees; and amend the advertising requirements of licensees.

8. Please cite the specific promulgation authority for the rules (i.e. department director, commission, board, etc.).

Section 13 of the McCauley-Traxler-Law-Bowman bingo act, MCL 432.113 states: "The commissioner shall promulgate rules pursuant to the administrative procedures act of 1969, 1969 PA 306, MCL 24.201 to 24.328, to implement this article." Section 2(h) MCL 432.102(h) defines the commissioner as "the commissioner of state lottery appointed under section 7 of the McCauley-Traxler-Law-Bowman-McNeely lottery act, 1972 PA 239, MCL 432.7."

A. Please list all applicable statutory references (MCLs, Executive Orders, etc.).

MCL 24.201 to 24.328; MCL 432.113

B. Are the rules mandated by any applicable constitutional or statutory provision? If so, please explain.

As indicated in number 8, the Bingo Act at section 13, MCL 432.113, states that the Commissioner shall promulgate rules to implement the Bingo Act.

9. Please describe the extent to which the rules conflict with or duplicate similar rules, compliance requirements, or other standards adopted at the state, regional, or federal level.

These rules do not conflict with or duplicate similar rules or regulations.

10. Is the subject matter of the rules currently contained in any guideline, handbook, manual, instructional bulletin, form with instructions, or operational memoranda?

The subject matter of these rules is not contained in any guideline, handbook, manual, instructional bulletin, or operational memoranda.

11. Are the rules listed on the department's annual regulatory plan as rules to be processed for the current year?

No

12. Will the proposed rules be promulgated under Section 44 of the Administrative Procedures Act, 1969 PA 306, MCL 24.244, or under the full rulemaking process?

Full Process

13. Please describe the extent to which the rules exceed similar regulations, compliance requirements, or other standards adopted at the state, regional, or federal level.

These rules are intended to be consistent with, but not exceed, any applicable state, regional, or federal requirements.

14. Do the rules incorporate the recommendations received from the public regarding any complaints or comments regarding the rules? If yes, please explain.

During the drafting of these rules, the public will be given opportunity to comment and recommendations will be considered.

15. If amending an existing rule set, please provide the date of the last evaluation of the rules and the degree, if any, to which technology, economic conditions, or other factors have changed the regulatory activity covered by the rules since the last evaluation.

The Charitable Gaming Rules were most recently amended in 2018. Random Number Generators (RNG) and the use of an alternative method for players to declare bingo, will provide additional options to licensees for revenue. Moreover, the onset of COVID-19 and compliance with existing Executive Orders currently places unforeseen restrictions on offerings under the current rules.

These proposed amendments will provide licensees with additional options to tailor charitable gaming events consistent with social distancing, and other important health and safety practices.

16. Are there any changes or developments since implementation that demonstrate there is no continued need for the rules, or any portion of the rules?

No, there have not been any changes or developments since implementation that demonstrate that there is no continued need for these rules, or for any portion of these rules.

17. Is there an applicable decision record (as defined in MCL 24.203(6) and required by MCL 24.239(2))? If so, please attach the decision record.

No