

SENATE BILL NO. 571

June 5, 1997, Introduced by Senators ROGERS, SCHUETTE, BOUCHARD, GEAKE, NORTH, SHUGARS and DUNASKISS and referred to the Committee on Gaming and Casino Oversight.

A bill to amend 1972 PA 239, entitled "McCauley-Traxler-Law-Bowman-McNeely lottery act," by amending sections 16, 41, and 43 (MCL 432.16, 432.41, and 432.43), section 16 as added and sections 41 and 43 as amended by 1996 PA 167.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 16. (1) The commissioner shall conduct a study of com-
2 pulsive gambling and the extent to which persons with compulsive
3 gambling disorders participate in gambling activities. The com-
4 missioner shall submit a written summary of the findings of the
5 study to the clerk of the house of representatives and the secre-
6 tary of the senate not later than 1 year after the effective date
7 of this section.

8 (2) ~~The commissioner shall provide for the establishment of~~
9 ~~a program that provides treatment for persons with compulsive~~

1 ~~gambling disorders. A telephone~~ THE TOLL-FREE COMPULSIVE GAMING
2 HELPLINE number ~~for access to the treatment program~~ shall be
3 printed on all lottery tickets, PRINTED ADVERTISEMENTS, AND PRO-
4 MOTIONAL MATERIALS AND POSTED AT EACH LOCATION WHERE LOTTERY
5 TICKETS ARE SOLD.

6 ~~(3) The total cost of the study, the treatment program, and~~
7 ~~advertising for the treatment program shall be paid out of funds~~
8 ~~that otherwise would have been expended for advertising for the~~
9 ~~state lottery, and shall be in an amount equal to not less than~~
10 ~~10% of each year's state lottery advertising budget but not to~~
11 ~~exceed \$1,000,000.00.~~

12 Sec. 41. (1) A special fund to be known as the "state lot-
13 tery fund" is created in the department of treasury. Except as
14 provided in subsection (3), the state lottery fund consists of
15 all revenues received from the sale of state lottery tickets or
16 shares and all other money credited or transferred to the fund
17 from any other fund or sources pursuant to law including interest
18 earnings on common cash attributable to the state lottery fund.
19 Revenue derived from the sale of tickets or shares of any joint
20 enterprise shall be treated in the manner provided for in the
21 joint enterprise participation agreement executed by the
22 commissioner. The commissioner shall deposit net revenue from
23 any joint enterprise in the state lottery fund. Earnings result-
24 ing from installment payment of any lottery prizes shall be used
25 for payment of prizes to lottery winners and the prize structure
26 formulated pursuant to sections 11 and 12 shall be established
27 accordingly.

1 (2) The investment authority of the state treasurer with
2 regard to the state lottery fund shall be the same as his or her
3 investment authority with regard to retirement system funds. To
4 assure a continuing availability of money with which to pay state
5 lottery prize installments and to compensate for variations in
6 the yield on investments, every 6 months the commissioner and the
7 state treasurer shall review the status of the installment prize
8 investments and shall agree on an amount to be restricted out of
9 the total revenues of the state lottery fund as a reserve against
10 a drop in yield. If the commissioner and the state treasurer
11 fail to agree on the amount to be reserved, the matter shall be
12 referred to the state administrative board for a decision on the
13 amount to be reserved.

14 (3) ~~After~~ EXCEPT AS PROVIDED IN SUBSECTION (4), AFTER the
15 payment of prizes to the holders of winning state lottery tickets
16 or shares or the payment pursuant to section 32 of the liabili-
17 ties to this state of holders of winning state lottery tickets or
18 shares, and the payment of the reasonable expenses of the bureau
19 in its operation of the lottery, the net revenue in the state
20 lottery fund and any money or interest generated by the state
21 lottery fund and share of common cash shall be deposited in the
22 state school aid fund and shall be distributed as provided by
23 law.

24 (4) A PERCENTAGE OF THE NET REVENUE IN THE STATE LOTTERY
25 FUND EQUAL TO 10% OF EACH YEAR'S STATE LOTTERY ADVERTISING BUDGET
26 BUT NOT TO EXCEED \$1,000,000.00 SHALL BE DEPOSITED IN THE

