

Senate Fiscal Agency
P. O. Box 30036
Lansing, Michigan 48909-7536

SFA**BILL ANALYSIS**

Telephone: (517) 373-5383
Fax: (517) 373-1986
TDD: (517) 373-0543

Senate Bill 422 (Substitute S-2 as reported by the Committee of the Whole)

Sponsor: Senator Dave Jaye

Committee: Gaming and Casino Oversight

CONTENT

The bill would amend the Michigan Penal Code to specify that the Code's prohibitions against registering bets and buying or selling pools would not apply to a "sports betting game", or to a card, list, or other item related to the conducting of a sports betting game, in which a person 21 years old or over wagered \$10 or less on a specific sporting event. Under the bill, "sports betting game" would mean a game in which the outcome depended upon the outcome of a seasonal sporting event that comprised one entire game or entire series of games completed by a professional or college-sponsored team; in which the total possible payout to one person for one sporting event was \$1,000 or less; that was composed of squares of equal dimensions in which the spaces next to the left column of squares and the top row of squares were at random assigned the digits 0 to 9, or was a game in which a player selected successive winners in a bracketed playoff hierarchy; and in which a person who conducted a game received no compensation from the payout for conducting the game.

The bill would prohibit a person from advertising a sports betting game; a person who violated this provision would be liable to pay a civil fine of at least \$500 but not more than \$1,000.

The bill also would prohibit a person who was a member or employee of a college athletic team from conducting or engaging in a sports betting game that involved the person's team, or another team of the college at which the person was a member or employee of a college athletic team.

(Currently, it is a misdemeanor to keep or operate any place with apparatus, books, or devices for registering bets or buying or selling pools upon the result of a trial or contest; or to possess policy or pool tickets, slips, checks, or memoranda, or other policy or pool books or sheets. The Code does not define "policy" but, in this context, it refers to a form of gambling in which bets are made on unpredictable numbers, i.e., a numbers game. "Pool" refers to the total amount staked by all players in certain gambling games.)

MCL 750.304 & 750.306

Legislative Analyst: G. Towne

FISCAL IMPACT

Senate Bill 422 (S-2) would have an indeterminate fiscal impact on local government.

There are no data available on a statewide basis to indicate how many people are currently convicted of this gambling offense, nor are there data available to estimate how many fewer people would be convicted of this crime if "sports betting games" were removed from the scope of the crime. Because this crime is punishable with a maximum term of imprisonment of one year or a fine of \$500, local governments would receive fine revenue or incur the cost of incarceration. The cost of incarceration varies from county to county.

Date Completed: 5-11-99

Fiscal Analyst: K. Firestone