

# HOUSE BILL No. 4763

June 8, 1999, Introduced by Reps. Garza, Stallworth, Hale and Daniels and referred to the Committee on Regulatory Reform.

A bill to amend 1972 PA 239, entitled "McCauley-Traxler-Law-Bowman-McNeely lottery act," by amending section 11 (MCL 432.11), as amended by 1996 PA 167, and by adding section 24.

## THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1       Sec. 11. (1) The commissioner shall promulgate rules pursu-  
2 ant to the administrative procedures act of 1969, ~~Act No. 306 of~~  
3 ~~the Public Acts of 1969, being sections 24.201 to 24.328 of the~~  
4 ~~Michigan Compiled Laws~~ 1969 PA 306, MCL 24.201 TO 24.328, as  
5 necessary to implement this act.

6       (2) The rules authorized under this section may include any  
7 of the following:

8       (a) The type of lottery to be conducted, subject to section  
9 9(2).

- 1 (b) The price of tickets or shares in the lottery.
- 2 (c) The number and size of the prizes on the winning tickets  
3 or shares.
- 4 (d) The manner of selecting the winning tickets or shares.
- 5 (e) The manner of payment of prizes to the holders of win-  
6 ning tickets or shares, subject to section 32.
- 7 (f) The frequency of the drawings or selections of winning  
8 tickets or shares.
- 9 (g) Without limit as to number, the type or types of loca-  
10 tions at which tickets or shares may be sold, subject to  
11 section 23(10).
- 12 (h) The method to be used in selling tickets or shares,  
13 except that a person's name shall not be printed on the tickets  
14 or shares.
- 15 (i) The licensing of agents to sell tickets or shares, ~~but~~  
16 EXCEPT THAT a person under the age of 18 shall not be licensed as  
17 an agent.
- 18 (j) ~~The~~ EXCEPT AS PROVIDED IN SECTION 24, THE manner and  
19 amount of compensation to be paid licensed sales agents necessary  
20 to provide for the adequate availability of tickets or shares to  
21 prospective buyers and for the convenience of the public.
- 22 (k) The apportionment of the total annual revenues accruing  
23 from the sale of lottery tickets or shares and from all other  
24 sources for the payment of prizes to the holders of winning tick-  
25 ets or shares, for the payment of costs incurred in the operation  
26 and administration of the lottery, including the expenses of the  
27 bureau and the costs resulting from any contract or contracts

1 entered into for promotional, advertising, consulting or  
2 operational services or for the purchase or lease of lottery  
3 equipment and materials, for the repayment of the money appropri-  
4 ated to the state lottery fund, and for transfer to the general  
5 fund.

6 (3) The commissioner may promulgate rules incorporating by  
7 reference existing rules or regulations of any joint enterprise  
8 as required as a condition for participation in that joint  
9 enterprise. Any subsequent changes or additions to the rules or  
10 regulations of the joint enterprise may be adopted by the commis-  
11 sioner through the promulgation of a rule.

12 (4) This section is repealed if the Michigan supreme court  
13 rules that sections 45 and 46 of the administrative procedures  
14 act of 1969, ~~Act No. 306 of the Public Acts of 1969, being sec-~~  
15 ~~tions 24.245 and 24.246 of the Michigan Compiled Laws~~ 1969 PA  
16 306, MCL 24.245 AND 24.246, are unconstitutional and a statute  
17 requiring legislative review of administrative rules is not  
18 enacted within 90 days after the Michigan supreme court ruling.  
19 Nothing in this subsection invalidates rules ~~that have been~~  
20 WERE promulgated prior to ~~the effective date of the amendatory~~  
21 ~~act that added this subsection~~ APRIL 17, 1996.

22 SEC. 24. A PERSON LICENSED AS A LOTTERY SALES AGENT UNDER  
23 THIS ACT IS ENTITLED TO A COMMISSION OF 10% OF THE PRICE OF THE  
24 LOTTERY TICKETS, AS ESTABLISHED BY THE BUREAU, THAT ARE SOLD BY  
25 THE LOTTERY SALES AGENT.