

# Legislative Analysis

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## **RACING COMMISSIONER: PROHIBIT WAGERS**

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### **Senate Bill 1052**

**Sponsor: Sen. Jason E. Allen**

**House Committee: Government Operations**

**Senate Committee: Gaming and Casino Oversight**

**Complete to 6-5-06**

## **A SUMMARY OF SENATE BILL 1052 AS PASSED BY THE SENATE 5-17-06**

The bill would amend the Horse Racing Law (HRL) to prohibit the racing commissioner, an employee of the Office of Racing Commissioner, or a member of the immediate family of the racing commissioner or of an employee from participating in wagering allowed under HRL or conducted by a person or an affiliate of a person licensed or applying for a license under the HRL. The bill would permit wagering that is part of surveillance, security, or other official duties of the Office of Racing Commissioner.

The bill defines "member of the immediate family" to mean a spouse, child, parent, or sibling. The bill defines "affiliate" to mean a person who, directly or indirectly, controls, is controlled by, or is under common control with; is in a partnership or joint venture with; or is a co-shareholder of a corporation or co-partner in a limited liability partnership with a person who holds or applies for a race meeting or track license under the HRL. A controlling interest would be a pecuniary interest of more than 15 percent.

MCL 431.302 and 431.304

### **FISCAL IMPACT:**

The bill would have no apparent fiscal impact on the state or local units of government.

### **BACKGROUND INFORMATION:**

Administrative Rule R 431.1145 currently prohibits the racing commissioner and the commissioner's appointees and employees from wagering on races. It does not, however, prohibit immediate family members from placing wagers. Additionally, the State Lottery Act (MCL 432.31) prohibits state lottery employees and any spouse, child, brother, sister or parent residing in the same household of the employee from purchasing lottery tickets.

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