

HOUSE BILL NO. 5393

October 13, 2021, Introduced by Reps. Slagh, Outman, Howell, Huizenga, Green, Eisen, VanSingel, LaFave, Steenland, O'Neal, Hertel, Cherry, Sneller, Brann, Hoitenga, Bezotte, Carra, Calley and Meerman and referred to the Committee on Regulatory Reform.

A bill to amend 1972 PA 382, entitled "Traxler-McCauley-Law-Bowman bingo act," by amending sections 2, 3, 3a, 4, 4a, 5d, 9, 12, 13, 14, 15, and 16 (MCL 432.102, 432.103, 432.103a, 432.104, 432.104a, 432.105d, 432.109, 432.112, 432.113, 432.114, 432.115, and 432.116), sections 2, 3, 3a, 4, 4a, 9, 12, 13, 14, 15, and 16 as amended by 2019 PA 159 and section 5d as added by 1999 PA 108.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

- 1** Sec. 2. As used in this act:
- 2** (a) "Active service" and "active state service" mean those

1 terms as defined in section 105 of the Michigan military act, 1967
2 PA 150, MCL 32.505.

3 (b) "Advertising" means all printed matter, handouts, flyers,
4 radio broadcasts, television broadcasts, signs, billboards, and
5 other media used to promote an event.

6 (c) "Bingo" means a game of chance commonly known as bingo in
7 which prizes are awarded on the basis of designated numbers or
8 symbols conforming to numbers or symbols selected at random.

9 (d) "Board" means the Michigan gaming control board created by
10 section 4 of the Michigan ~~gaming control and revenue act~~, **Gaming**
11 **Control and Revenue Act**, 1996 IL 1, MCL 432.204.

12 (e) "Bureau" means the bureau of state lottery as created by
13 section 5 of the McCauley-Traxler-Law-Bowman-McNeely lottery act,
14 1972 PA 239, MCL 432.5.

15 (f) "Charity game" means the random resale of a series of
16 charity game tickets.

17 (g) "Charity game ticket" means a ticket commonly referred to
18 as a break-open ticket or pull-tab that is approved and acquired by
19 the bureau and is distributed and sold by the bureau or a supplier
20 to a qualified organization, a portion of which is removed to
21 discover whether the ticket is a winning ticket.

22 (h) "Commissioner" means the commissioner of state lottery
23 appointed under section 7 of the McCauley-Traxler-Law-Bowman-
24 McNeely lottery act, 1972 PA 239, MCL 432.7.

25 (i) "Coverall pattern" means a pattern required to win a bingo
26 game in which all numbers on a bingo card are required to be
27 called.

28 (j) "Educational organization" means an organization in this
29 state that is organized not for pecuniary profit, whose primary

1 purpose is educational in nature and designed to develop the
2 capabilities of individuals by instruction in any public or private
3 elementary or secondary school that complies with the revised
4 school code, 1976 PA 451, MCL 380.1 to 380.1852, or any private or
5 public college or university that is organized not for pecuniary
6 profit and that is approved by the state board of education.

7 (k) "Equipment" means the objects and mechanical,
8 electromechanical, or electronic devices used to determine or
9 assist in determining the winners of prizes at an event.

10 (l) "Event" means, in article 1, an occasion of bingo games, **an**
11 **internet raffle**, a raffle, a charity game, or a numeral game
12 conducted under a license issued under article 1, and in article 2,
13 an occasion of a millionaire party conducted under a license issued
14 under article 2.

15 (m) "Executive director" means the executive director of the
16 board, appointed under section 4 of the Michigan ~~gaming control and~~
17 ~~revenue act, **Gaming Control and Revenue Act**, 1996 IL 1, MCL~~
18 432.204.

19 (n) "Fraternal organization" means an organization in this
20 state, other than a college fraternity or sorority, that meets all
21 of the following criteria:

22 (i) Is organized not for pecuniary profit.

23 (ii) Is a branch, lodge, or chapter of a national or state
24 organization or, only for the purpose of conducting a small raffle
25 or a large raffle under this act, if not a branch, lodge, or
26 chapter of a national or state organization, is exempt from
27 taxation under section 501(c) of the internal revenue code of 1986,
28 26 USC 501.

29 (iii) Exists for the common purpose, brotherhood, or other

1 interests of its members.

2 (o) "Internet" means the international computer network of
3 interoperable packet-switched data networks, inclusive of such
4 additional technological platforms as mobile, satellite, and other
5 electronic distribution channels.

6 (p) "Internet raffle" means an event for which electronic
7 raffle tickets are sold through the internet and at which a winner
8 or winners are determined by a method that is approved in writing
9 by the board, and a preannounced prize is awarded. Internet raffle
10 does not include a raffle, large raffle, or small raffle. As used
11 in this subdivision, "prize" does not include money.

12 Sec. 3. As used in this act:

13 (a) "Large bingo" means a series of bingo occasions that occur
14 on a regular basis during which the total value of all prizes
15 awarded for bingo games at a single occasion does not exceed
16 \$3,500.00 and the total value of all prizes awarded for 1 bingo
17 game does not exceed \$1,100.00, except that a prize awarded through
18 a Michigan progressive jackpot bingo game is not subject to these
19 limitations.

20 (b) "Large raffle" means an event ~~where~~ **at which** the total
21 value of all prizes awarded through raffle drawings exceeds \$500.00
22 per occasion.

23 (c) "Licensee" means a person, including a qualified
24 organization, licensed under this act.

25 (d) "Location" means, **except as otherwise provided in section**
26 **5d**, a building, enclosure, part of a building or enclosure, or a
27 distinct portion of real property that is used for the purpose of
28 conducting an event. Location includes all components or buildings
29 that compose 1 architectural entity or that serve a unified

1 functional purpose.

2 (e) "Manufacturer" means a person licensed under section 11c
3 ~~who~~**that** manufactures numeral game tickets for sale to suppliers
4 for use in an event.

5 (f) "Member" means an individual who qualified for membership
6 in a qualified organization under its bylaws, articles of
7 incorporation, charter, rules, or other written statement.

8 (g) "Michigan national guard" and "military" mean those terms
9 as defined in section 105 of the Michigan military act, 1967 PA
10 150, MCL 32.505.

11 (h) "Michigan progressive jackpot" means a bingo game
12 conducted in conjunction with a licensed large bingo occasion in
13 which the value of the prize is carried forward to the next bingo
14 occasion if no player wins in a predetermined number of allowable
15 calls. Michigan progressive jackpot may include bingo games
16 conducted by more than 1 licensee that are linked together for the
17 purpose of a common jackpot prize and consolation prize as
18 prescribed by the commissioner.

19 (i) "Millionaire party" means an event at which wagers are
20 placed on games of chance customarily associated with a gambling
21 casino through the use of imitation money or chips that have a
22 nominal value equal to or greater than the value of the currency
23 for which they can be exchanged.

24 (j) "Numeral game" means the random resale of a series of
25 numeral game tickets.

26 (k) "Numeral game ticket" means a paper strip on which
27 preprinted numerals are covered by folding the strip and banding
28 the folded strip with a separate piece of paper, so that on
29 breaking the paper that bands the ~~folding~~**folded** strip the

1 purchaser discovers whether the ticket is a winning ticket.

2 (l) "Occasion" means a single day for which a license to
3 conduct games is issued under this act.

4 Sec. 3a. As used in this act:

5 (a) "Person" means an individual, firm, association,
6 corporation, or other legal entity.

7 (b) "Principal officer" means the highest ranking officer of
8 the qualified organization according to its written constitution,
9 charter, articles of incorporation, or bylaws.

10 (c) "Prize" means anything of value, including, but not
11 limited to, money or merchandise that is given to a player for
12 attending or winning a game at an event. A nonmonetary item is
13 valued at its retail value. Prize does not include advertising
14 given away by a qualified organization in accordance with rules
15 promulgated under this act.

16 (d) "Qualified organization" means, subject to subdivision
17 (e), either of the following:

18 (i) A bona fide religious, educational, service, senior
19 citizens, fraternal, or veterans' organization that operates
20 without profit to its members and that either has been in existence
21 continuously as an organization for a period of 5 years or is
22 exempt from taxation under section 501(c) of the internal revenue
23 code of 1986, 26 USC 501(c).

24 (ii) Only for the purpose of conducting a small raffle or a
25 large raffle under this act, a component of the military or the
26 Michigan national guard whose members are in active service or
27 active state service.

28 (e) "Qualified organization" does not include a candidate
29 committee, political committee, political party committee, ballot

1 question committee, independent committee, or any other committee
2 as defined by, and organized under, the Michigan campaign finance
3 act, 1976 PA 388, MCL 169.201 to 169.282.

4 (f) "Raffle" means an event for which raffle tickets are sold
5 and at which a winner or winners are determined, either by randomly
6 selecting stubs from all of the raffle tickets sold for an event or
7 by an alternative method that is approved in writing by the ~~bureau,~~
8 **board**, and a preannounced prize is awarded.

9 (g) "Religious organization" means any of the following:

10 (i) An organization, church, body of communicants, or group in
11 this state that is organized not for pecuniary profit and that
12 gathers in common membership for mutual support and edification in
13 piety, worship, and religious observances.

14 (ii) A society of individuals in this state that is organized
15 not for pecuniary profit and that unites for religious purposes at
16 a definite place.

17 (iii) A church-related private school in this state that is
18 organized not for pecuniary profit.

19 (h) "Senior citizens organization" means an organization in
20 this state that is organized not for pecuniary profit, that
21 consists of at least 15 members who are 60 years of age or older,
22 and that exists for their mutual support and for the advancement of
23 the causes of elderly or retired persons.

24 (i) "Service organization" means either of the following:

25 (i) A branch, lodge, or chapter in this state of a national or
26 state organization that is organized not for pecuniary profit and
27 that is authorized by its written constitution, charter, articles
28 of incorporation, or bylaws to engage in a fraternal, civic, or
29 service purpose in this state.

1 (ii) A local civic organization in this state that is organized
2 not for pecuniary profit; that is not affiliated with a state or
3 national organization; that is recognized by resolution adopted by
4 the local governmental subdivision in which the organization
5 conducts its principal activities; whose constitution, charter,
6 articles of incorporation, or bylaws contain a provision for the
7 perpetuation of the organization as a nonprofit organization; whose
8 entire assets are used for charitable purposes; and whose
9 constitution, charter, articles of incorporation, or bylaws contain
10 a provision that all assets, real property, and personal property
11 must revert to the benefit of the local governmental subdivision
12 that granted the resolution or another nonprofit organization on
13 dissolution of the organization.

14 (j) "Small bingo" means a series of bingo occasions that occur
15 on a regular basis during which the total value of all prizes
16 awarded for bingo games at a single occasion does not exceed
17 \$300.00 and the total value of all prizes awarded for a single
18 bingo game does not exceed \$25.00.

19 (k) "Small raffle" means an event during which the total value
20 of all prizes awarded through raffle drawings does not exceed
21 \$500.00 during 1 occasion.

22 (l) "Special bingo" means a single or consecutive series of
23 bingo occasions during which the total value of all prizes awarded
24 for bingo games at a single occasion does not exceed \$3,500.00 and
25 the total value of all prizes awarded for a single bingo game does
26 not exceed \$1,100.00.

27 (m) "Supplier" means a person licensed under this act to rent,
28 sell, or lease equipment or to sell charity game or numeral game
29 tickets to qualified organizations licensed under this act.

1 (n) "Veterans' organization" means an organization in this
2 state, or a branch, lodge, or chapter in this state of a state
3 organization or of a national organization chartered by the
4 Congress of the United States, that is organized not for pecuniary
5 profit, the membership of which consists of individuals who were
6 members of the armed services or armed forces of the United States.
7 Veterans' organization includes an auxiliary of a veterans'
8 organization that is a national organization chartered by the
9 Congress of the United States.

10 Sec. 4. (1) An applicant for a license to conduct a bingo,
11 ~~raffle,~~ charity game, or numeral game event shall submit to the
12 bureau a written application on a form prescribed by the
13 commissioner.

14 (2) The application under subsection (1) must include all of
15 the following:

16 (a) The name and address of the applicant organization.

17 (b) The name and address of each officer of the applicant
18 organization.

19 (c) The location at which the applicant will conduct the
20 event.

21 (d) The day or dates of the event.

22 (e) The member or members of the applicant organization who
23 will be responsible for the conduct of the event.

24 (f) Sufficient facts relating to the applicant's incorporation
25 or organization to enable the commissioner to determine whether the
26 applicant is a qualified organization.

27 (g) A sworn statement attesting to the nonprofit status of the
28 applicant organization, signed by the principal officer of the
29 organization.

1 (h) Other information the commissioner considers necessary.

2 (3) An applicant for a license to conduct an internet raffle
3 or raffle shall submit to the board a written application on a form
4 prescribed by the executive director.

5 (4) The application under subsection (3) must include all of
6 the following:

7 (a) The name and address of the applicant organization.

8 (b) The name of each officer of the applicant organization.

9 (c) The location at which the applicant will conduct the
10 event.

11 (d) The day or dates of the event.

12 (e) Sufficient facts relating to the applicant's incorporation
13 or organization to enable the executive director to determine
14 whether the applicant is a qualified organization.

15 Sec. 4a. (1) Except as provided in subsections (2) and (3), if
16 the commissioner determines that an applicant under section 4 is a
17 qualified organization, is not ineligible under section 18, and has
18 paid to the bureau the appropriate fee, the commissioner may issue
19 1 or more of the following licenses:

20	License	Fee
21	(a) Large bingo..... \$	150.00
22	(b) Small bingo..... \$	55.00
23	(c) Special bingo..... \$	25.00
24	(d) Large raffle..... \$	50.00 per
25		drawing date
26	(e) Small raffle..... \$	15.00
27	(i) One to 3 drawing dates..... \$	15.00
28	(ii) Four or more drawing dates..... \$	5.00 per
29		drawing date

- 1 **(d)** ~~(f)~~ Annual charity game..... \$ 200.00
- 2 **(e)** ~~(g)~~ Special charity game..... \$ 15.00 per day
- 3 **(f)** ~~(h)~~ Numeral game..... \$ 15.00 per day

4 (2) Under extreme hardship conditions as determined by the
5 commissioner, the commissioner may waive 1 or more requirements for
6 a person to be a qualified organization under section 3a(d) to
7 permit the licensing of a special bingo ~~or raffle~~ event, if all of
8 the following conditions are met:

9 (a) The organization applying for the license is a nonprofit
10 organization.

11 (b) The entire proceeds of the event, less the actual
12 reasonable expense of conducting the event, are donated or used for
13 a charitable purpose, organization, or cause.

14 (c) None of the individuals connected with the conduct of the
15 event is compensated in any manner for his or her participation.

16 (d) The organization complies with all other applicable
17 provisions of this article and rules promulgated under this
18 article.

19 (3) Under extreme hardship conditions as determined by the
20 commissioner, the commissioner may allow an individual or a group
21 of individuals to obtain a license to conduct a special bingo event
22 ~~or raffle~~ if all of the following conditions are met:

23 (a) The entire proceeds of the event, less the actual
24 reasonable expense of conducting the event, are donated or used for
25 a charitable purpose, organization, or cause.

26 (b) None of the individuals connected with the conduct of the
27 event is compensated in any manner for his or her participation.

28 (c) The individual or group of individuals complies with all
29 other applicable provisions of this article and the rules

1 promulgated under this article.

2 (4) Except as provided in subsections (5) and (6), if the
3 executive director determines that an applicant under section 4 is
4 a qualified organization, is not ineligible under section 18, and
5 has paid to the board the appropriate fee, the executive director
6 may issue 1 or more of the following licenses:

7	License	Fee
8	(a) Large raffle.....	\$ 50.00 per
9		drawing date
10	(b) Small raffle.....	\$ 15.00
11	(i) One to 3 drawing dates.....	\$ 15.00
12	(ii) Four or more drawing dates.....	\$ 5.00 per
13		drawing date
14	(c) Internet raffle.....	\$ 50.00

15 (5) Under extreme hardship conditions as determined by the
16 executive director, the executive director may waive 1 or more
17 requirements for a person to be a qualified organization under
18 section 3a(d) to permit the licensing of an internet raffle or
19 raffle event, if all of the following conditions are met:

20 (a) The organization applying for the license is a nonprofit
21 organization.

22 (b) The entire proceeds of the event, less the actual
23 reasonable expense of conducting the event, are donated or used for
24 a charitable purpose, organization, or cause.

25 (c) None of the individuals connected with the conduct of the
26 event is compensated in any manner for his or her participation.

27 (d) The organization complies with all other applicable
28 provisions of this article and rules promulgated under this
29 article.

1 (6) Under extreme hardship conditions as determined by the
2 executive director, the executive director may allow an individual
3 or a group of individuals to obtain a license to conduct an
4 internet raffle or raffle if all of the following conditions are
5 met:

6 (a) The entire proceeds of the event, less the actual
7 reasonable expense of conducting the event, are donated or used for
8 a charitable purpose, organization, or cause.

9 (b) None of the individuals connected with the conduct of the
10 event is compensated in any manner for his or her participation.

11 (c) The individual or group of individuals complies with all
12 other applicable provisions of this article and the rules
13 promulgated under this article.

14 (7) ~~(4)~~—Each event license issued to a qualified organization
15 under this section is valid for only the location included on the
16 license.

17 (8) ~~(5)~~—A license issued under this section is not assignable
18 or transferable.

19 (9) ~~(6)~~—A licensee shall ensure that the events conducted
20 under a license issued under this section are conducted in
21 compliance with the applicable provisions of this article and rules
22 promulgated under this article.

23 (10) ~~(7)~~—Except as otherwise provided in this section, a
24 licensee shall only conduct events licensed under this section
25 during the hours and on the date or dates stated on the license.

26 (11) ~~(8)~~—In connection with an application for a small raffle
27 license, ~~or a large raffle license,~~ **or an internet raffle license,**
28 in determining whether a fraternal organization that is not a
29 branch, lodge, or chapter of a national or state organization is a

1 qualified organization, the ~~commissioner~~**executive director** shall
2 only consider whether the organization meets requirements that are
3 applicable under this article that are unrelated to whether the
4 organization is a branch, lodge, or chapter of a national or state
5 organization.

6 Sec. 5d. (1) A qualified organization may apply for an
7 unlimited number of small and large raffle licenses.

8 (2) Only 1 small raffle license may be issued for a location
9 each day.

10 (3) All drawing locations ~~shall~~**must** be the same if a small
11 raffle license is issued for more than 1 date.

12 (4) A qualified organization is excused from the requirements
13 of obtaining a license under this act if the qualified organization
14 is sponsoring a single gathering and conducts a raffle before which
15 there is no presale of tickets and the total aggregate retail value
16 of the prize or prizes to be awarded that day is \$100.00 or less.

17 (5) **A qualified organization may apply for an internet raffle
18 license.**

19 (6) **The holder of an internet raffle license shall conduct an
20 internet raffle through an internet raffle platform approved by the
21 board. An internet raffle platform is considered to be the location
22 where an event under this subsection is conducted. As used in this
23 subsection, "internet raffle platform" means an integrated system
24 of hardware, software, applications, including mobile applications,
25 and servers through which a qualified organization may conduct an
26 internet raffle.**

27 Sec. 9. (1) Except as provided in subsection (2), the entire
28 net proceeds of an event conducted under a license issued under
29 this article must be devoted exclusively to the lawful purposes of

1 the licensee. A licensee shall not incur or pay an item of expense
 2 in connection with holding, operating, or conducting an event
 3 except the following expenses in amounts that the commissioner **or,**
 4 **for an internet raffle or raffle event, the executive director**
 5 determines to be reasonable:

6 (a) The purchase or rental of equipment necessary for
 7 conducting an event and payment of services reasonably necessary
 8 for the repair of equipment.

9 (b) Cash prizes or the purchase of prizes of merchandise.

10 (c) Rental of the location at which the event is conducted.

11 (d) Janitorial services.

12 (e) The fee required for issuance or reissuance of a license
 13 to conduct the event.

14 (f) Other reasonable expenses incurred by the licensee, not
 15 inconsistent with this article, as permitted by rule of the
 16 commissioner.

17 (2) A qualified organization described in section 3a(d) (ii)
 18 shall use the entire net proceeds of an event, after paying items
 19 of expense incurred in reasonable amounts in connection with the
 20 holding, operating, or conducting of the event and listed in
 21 subsection (1), only for the expense of training or purchasing
 22 goods or services for the support of the activities of the
 23 component.

24 Sec. 12. (1) ~~The~~ **Except as otherwise provided in subsection**
 25 **(3), the** bureau shall enforce and supervise the administration of
 26 this article. ~~The~~ **Except as otherwise provided in subsection (3),**
 27 **the** commissioner shall employ personnel as necessary to implement
 28 this article.

29 (2) ~~The~~ **Except as otherwise provided in subsection (3), the**

1 bureau may select fraternal organizations that are not a branch,
 2 lodge, or chapter of a national or state organization to audit to
 3 ensure that the organizations are in compliance with this article.

4 **(3) For internet raffles and raffles, all of the following**
 5 **apply:**

6 **(a) The board shall enforce and supervise the administration**
 7 **of this article.**

8 **(b) The executive director shall employ personnel as necessary**
 9 **to implement this article.**

10 **(c) The board may select fraternal organizations that are not**
 11 **a branch, lodge, or chapter of a national or state organization to**
 12 **audit to ensure that the organizations are in compliance with this**
 13 **article.**

14 Sec. 13. **(1) ~~The~~ Except as otherwise provided in subsection**
 15 **(2), the** commissioner shall promulgate rules pursuant to the
 16 administrative procedures act of 1969, 1969 PA 306, MCL 24.201 to
 17 24.328, to implement this article.

18 **(2) For internet raffles and raffles, not later than 90 days**
 19 **after the effective date of the amendatory act that added this**
 20 **subsection, the executive director shall promulgate rules pursuant**
 21 **to the administrative procedures act of 1969, 1969 PA 306, MCL**
 22 **24.201 to 24.328, to implement this article.**

23 Sec. 14. **(1) ~~A~~ Except as otherwise provided in this section, a**
 24 licensee under this article shall keep a record of each event as
 25 required by the commissioner. **~~A~~ Except as otherwise provided in**
 26 **this section, a** licensee shall allow a representative authorized by
 27 the bureau to inspect a record kept under this subsection and all
 28 financial accounts into which proceeds from events are deposited or
 29 transferred during reasonable business hours.

1 (2) ~~A-Except as otherwise provided in this section, a~~ licensee
2 under this article shall file with the commissioner a financial
3 statement signed by the principal officer of the qualified
4 organization of receipts and expenses related to the conduct of
5 each event as required by rule promulgated under this article. If
6 the revenue from a bingo, ~~raffle,~~ numeral game, or charity game
7 event is represented to be used or applied by a licensee under this
8 article for a charitable purpose, the licensee shall file a copy of
9 the financial statement with the attorney general under the
10 supervision of trustees for charitable purposes act, 1961 PA 101,
11 MCL 14.251 to 14.266.

12 (3) ~~A-Except as otherwise provided in this section, a~~ licensee
13 under this article shall allow an authorized representative of the
14 bureau or the department of state police or a law enforcement
15 officer of a political subdivision of this state to inspect the
16 location or an intended location during business hours.

17 (4) ~~An internet raffle licensee or raffle licensee under this~~
18 ~~article shall keep a record of each event as required by the~~
19 ~~executive director. An internet raffle licensee shall allow a~~
20 ~~representative authorized by the board to inspect a record kept~~
21 ~~under this subsection and all financial accounts into which~~
22 ~~proceeds from events are deposited or transferred during reasonable~~
23 ~~business hours.~~

24 (5) ~~An internet raffle licensee or raffle licensee under this~~
25 ~~article shall file with the executive director a financial~~
26 ~~statement signed by the principal officer of the qualified~~
27 ~~organization of receipts and expenses related to the conduct of~~
28 ~~each event as required by rule promulgated under this article. If~~
29 ~~the revenue from an internet raffle or raffle event is represented~~

1 to be used or applied by a licensee under this article for a
 2 charitable purpose, the internet raffle licensee or raffle licensee
 3 shall file a copy of the financial statement with the attorney
 4 general under the supervision of trustees for charitable purposes
 5 act, 1961 PA 101, MCL 14.251 to 14.266.

6 (6) An internet raffle licensee or raffle licensee under this
 7 article shall allow an authorized representative of the board or
 8 the department of state police or a law enforcement officer of a
 9 political subdivision of this state to inspect the location or an
 10 intended location during business hours.

11 Sec. 15. (1) ~~The~~ Except as otherwise provided in subsection
 12 (2), the commissioner shall report annually to the governor and the
 13 legislature about the operation of events licensed under this
 14 article, abuses that the bureau may have encountered, and
 15 recommendations for changes in this act.

16 (2) The executive director shall report annually to the
 17 governor and the legislature about the operation of internet raffle
 18 and raffle events licensed under this article, abuses that the
 19 board may have encountered, and recommendations for changes in this
 20 act.

21 Sec. 16. (1) ~~The~~ Except as otherwise provided in subsection
 22 (2), the commissioner may deny, suspend, summarily suspend, or
 23 revoke a license issued under this article if the licensee or an
 24 officer, director, agent, member, or employee of the licensee
 25 violates this article or a rule promulgated under this article. ~~The~~
 26 Except as otherwise provided in subsection (2), the commissioner
 27 may summarily suspend a license for a period of not more than 60
 28 days pending prosecution, investigation, or public hearing.

29 (2) The executive director may deny, suspend, summarily

1 suspend, or revoke an internet raffle license or raffle license
 2 issued under this article if the licensee or an officer, director,
 3 agent, member, or employee of the licensee violates this article or
 4 a rule promulgated under this article. The executive may summarily
 5 suspend an internet raffle license for a period of not more than 60
 6 days pending prosecution, investigation, or public hearing.

7 (3) ~~(2)~~—A proceeding to suspend or revoke a license under this
 8 article is a contested case governed by the administrative
 9 procedures act of 1969, 1969 PA 306, MCL 24.201 to 24.328.

10 (4) ~~(3)~~—On petition of the commissioner, **or for internet**
 11 **raffles or raffles, on petition of the executive director,** the
 12 circuit court after a hearing may issue subpoenas to compel the
 13 attendance of witnesses and the production of documents, papers,
 14 books, records, and other evidence before it in a matter over which
 15 it has jurisdiction, control, or supervision. If a person
 16 subpoenaed to attend in any such proceeding or hearing fails to
 17 obey the command of the subpoena without reasonable cause, or if a
 18 person in attendance in any such proceeding or hearing refuses,
 19 without lawful cause, to be examined or to answer a legal or
 20 pertinent question or to exhibit a book, account, record, or other
 21 document when ordered to do so by the court, that person may be
 22 punished as being in contempt of the court.

23 (5) ~~(4)~~—With approval of the commissioner, a bingo hall
 24 licensee, in lieu of a suspension of its license, may elect to pay
 25 a fine equal to the amount of rent that would have been paid by
 26 bingo licensees during the period of the suspension. The bingo hall
 27 licensee shall pay this fine to the bureau on or before the date
 28 agreed to in the suspension agreement entered into by the bureau
 29 and the bingo hall licensee.