

# SENATE BILL NO. 412

June 27, 2023, Introduced by Senators HERTEL, CHERRY, LAUWERS, DALEY and HOITENGA and referred to the Committee on Natural Resources and Agriculture.

A bill to amend 2019 PA 152, entitled  
"Lawful internet gaming act,"  
by amending section 15 (MCL 432.315).

**THE PEOPLE OF THE STATE OF MICHIGAN ENACT:**

1           Sec. 15. (1) The tax imposed under section 14 must be  
2 allocated as follows:

3           (a) Thirty percent to the city in which the internet gaming  
4 operator licensee's casino is located, for use in connection with  
5 the following:

1 (i) The hiring, training, and deployment of street patrol  
2 officers in that city.

3 (ii) Neighborhood development programs designed to create jobs  
4 in that city with a focus on blighted neighborhoods.

5 (iii) Public safety programs such as emergency medical services,  
6 fire department programs, and street lighting in that city.

7 (iv) Anti-gang and youth development programs in that city.

8 (v) Other programs that are designed to contribute to the  
9 improvement of the quality of life in that city.

10 (vi) Relief to the taxpayers of the city from 1 or more taxes  
11 or fees imposed by the city.

12 (vii) The costs of capital improvements in that city.

13 (viii) Road repairs and improvements in that city.

14 (b) Sixty-five percent to this state to be deposited in the  
15 fund.

16 (c) Five percent to the Michigan agriculture equine industry  
17 development fund created under section 20 of the horse racing law  
18 of 1995, 1995 PA 279, MCL 431.320. ~~However, if the 5% allocated~~  
19 ~~under this subdivision to the Michigan agriculture equine industry~~  
20 ~~development fund created under section 20 of the horse racing law~~  
21 ~~of 1995, 1995 PA 279, MCL 431.320, exceeds \$3,000,000.00 in a~~  
22 ~~fiscal year, the amount in excess of \$3,000,000.00 must be~~  
23 ~~allocated and deposited in the fund created under section 16.~~

24 (2) By September 30, 2020 and each September 30 after that  
25 date, if the combined amount of money received in the preceding  
26 city fiscal year by the city in which the internet gaming  
27 operator's casino is located from money allocated under subsection  
28 (1)(a), from the wagering tax allocated under section 12 of the  
29 Michigan Gaming Control and Revenue Act, 1996 IL 1, MCL 432.212,

1 from the wagering tax allocated under section 15 of the lawful  
2 sports betting act, **2019 PA 149, MCL 432.415**, and all payments  
3 received under existing development agreements with internet gaming  
4 operators, is less than \$183,000,000.00, the board shall distribute  
5 from the fund to the city in which the internet gaming operator's  
6 casino is located an amount equal to the difference between  
7 \$183,000,000.00 and the combined amount of money the city in which  
8 the internet gaming operator's casino is located received in the  
9 preceding fiscal year from money allocated under subsection (1)(a),  
10 from the wagering tax allocated under section 12 of the Michigan  
11 Gaming Control and Revenue Act, 1996 IL 1, MCL 432.212, from the  
12 wagering tax allocated under section 15 of the lawful sports  
13 betting act, **2019 PA 149, MCL 432.415**, and all payments received by  
14 the city under existing development agreements with internet gaming  
15 operators. The calculations set forth in this subsection must not  
16 include any payments made under section 14(5) or any payments made  
17 under section 13(1) of the Michigan Gaming Control and Revenue Act,  
18 1996 IL 1, MCL 432.213, or any payments made under section 14(5) of  
19 the lawful sports betting act, **2019 PA 149, MCL 432.414**. However,  
20 the total amount the city in which the internet gaming operator's  
21 casino is located receives for the preceding fiscal year under  
22 subsection (1)(a) and this subsection must not be more than 55% of  
23 the total received from the tax imposed under section 14 in the  
24 state fiscal year.