

**MCCAULEY-TRAXLER-LAW-BOWMAN-MCNEELY LOTTERY ACT (EXCERPT)**  
**Act 239 of 1972**

**432.11 Rules.**

Sec. 11. (1) The commissioner shall promulgate rules pursuant to the administrative procedures act of 1969, 1969 PA 306, MCL 24.201 to 24.328, as necessary to implement this act.

(2) The rules authorized under this section may include any of the following, subject to requirements and limitations in this act:

- (a) The type of lottery to be conducted.
- (b) The price of tickets or shares in the lottery.
- (c) The number and size of the prizes on the winning tickets or shares.
- (d) The manner of selecting the winning tickets or shares.
- (e) The manner of payment of prizes to the holders of winning tickets or shares.
- (f) The frequency of the drawings or selections of winning tickets or shares.
- (g) Without limit as to number, the type or types of locations at which tickets or shares may be sold.
- (h) The method to be used in selling tickets or shares, except that a person's name, other than a name used in advertising or a promotion under section 18(2) or (3), shall not be printed on the tickets or shares.
- (i) The licensing of agents to sell tickets or shares, but a person under the age of 18 shall not be licensed as an agent.
- (j) The manner and amount of compensation to be paid licensed sales agents necessary to provide for the adequate availability of tickets or shares to prospective buyers and for the convenience of the public.
- (k) The apportionment of the total annual revenues accruing from the sale of lottery tickets or shares from all other sources for the payment of prizes to the holders of winning tickets or shares, for the payment of costs incurred in the operation and administration of the lottery, including the expenses of the bureau and the costs resulting from any contract or contracts entered into for promotional, advertising, consulting or operational services or for the purchase or lease of lottery equipment and materials, for the repayment of the money appropriated to the state lottery fund, and for transfer to the general fund.

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

**History:** 1972, Act 239, Imd. Eff. Aug. 1, 1972;—Am. 1973, Act 86, Imd. Eff. Aug. 5, 1973;—Am. 1987, Act 55, Imd. Eff. June 22, 1987;—Am. 1991, Act 165, Imd. Eff. Dec. 19, 1991;—Am. 1996, Act 95, Eff. Mar. 31, 1997;—Am. 1996, Act 167, Imd. Eff. Apr. 17, 1996;—Am. 2004, Act 272, Imd. Eff. July 23, 2004;—Am. 2004, Act 383, Imd. Eff. Oct. 12, 2004;—Am. 2012, Act 293, Imd. Eff. Aug. 1, 2012.

**Compiler's note:** In separate opinions, the Michigan Supreme Court held that Section 45(8), (9), (10), and (12) and the second sentence of Section 46(1) ("An agency shall not file a rule ... until at least 10 days after the date of the certificate of approval by the committee or after the legislature adopts a concurrent resolution approving the rule.") of the Administrative Procedures Act of 1969, in providing for the Legislature's reservation of authority to approve or disapprove rules proposed by executive branch agencies, did not comply with the enactment and presentment requirements of Const 1963, Art 4, and violated the separation of powers provision of Const 1963, Art 3, and, therefore, were unconstitutional. These specified portions were declared to be severable with the remaining portions remaining effective. *Blank v Department of Corrections*, 462 Mich 103 (2000).

For transfer of the Bureau of State Lottery from the Department of Management and Budget to be an autonomous entity within the Department of Treasury, see E.R.O. No. 1991-2, compiled at MCL 12.161 of the Michigan Compiled Laws.

**Popular name:** Lottery Act

**Administrative rules:** R 432.1 et seq. of the Michigan Administrative Code.