



# HOUSE BILL No. 4475

February 28, 1995, Introduced by Reps. Jaye, Brewer and Goschka and referred to the Committee on Regulatory Affairs.

A bill to amend sections 9 and 11 of Act No. 239 of the Public Acts of 1972, entitled as amended "McCauley-Traxler-Law-Bowman-McNeely lottery act," as amended by Act No. 165 of the Public Acts of 1991, being sections 432.9 and 432.11 of the Michigan Compiled Laws.

## THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Section 1. Sections 9 and 11 of Act No. 239 of the Public  
2 Acts of 1972, as amended by Act No. 165 of the Public Acts of  
3 1991, being sections 432.9 and 432.11 of the Michigan Compiled  
4 Laws, are amended to read as follows:

5 Sec. 9. (1) The commissioner shall initiate, establish, and  
6 operate a state lottery at the earliest feasible and practicable  
7 time. The lottery shall produce the maximum amount of net  
8 revenues for the state consonant with the general welfare of the  
9 people. The commissioner shall solicit bids from financially

1 responsible vendors of data processing equipment and services for  
2 the operation of the lottery and may contract with the approval  
3 of the state administrative board.

4 (2) The commissioner shall not conduct a lottery based upon  
5 an activity which utilizes the mechanical, physical, or mental  
6 skills of the participant and which is traditionally regarded as  
7 a sporting event.

8 (3) THE LOTTERY CONDUCTED BY THE COMMISSIONER SHALL PROVIDE  
9 FOR AN INSTANT PRIZE OF \$5.00 UPON THE CORRECT PICK OF 3 NUMBERS  
10 OR SYMBOLS OUT OF THE ENTIRE FIELD OF AVAILABLE NUMBERS OR  
11 SYMBOLS.

12 Sec. 11. (1) The commissioner shall promulgate rules pursu-  
13 ant to the administrative procedures act of 1969, Act No. 306 of  
14 the Public Acts of 1969, ~~as amended,~~ being sections 24.201 to  
15 24.328 of the Michigan Compiled Laws, as necessary to implement  
16 this act.

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

19 (a) The type of lottery to be conducted subject to section  
20 ~~9(2)~~ 9.

21 (b) The price of tickets or shares in the lottery.

22 (c) The number and size of the prizes on the winning tickets  
23 or shares SUBJECT TO SECTION 9.

24 (d) The manner of selecting the winning tickets or shares.

25 (e) The manner of payment of prizes to the holders of win-  
26 ning tickets or shares, subject to section 32.

1 (f) The frequency of the drawings or selections of winning  
2 tickets or shares.

3 (g) Without limit as to number, the type or types of loca-  
4 tions at which tickets or shares may be sold.

5 (h) The method to be used in selling tickets or shares,  
6 except that ~~no~~ A person's name shall NOT be printed on ~~such~~  
7 tickets or shares.

8 (i) The licensing of agents to sell tickets or shares but a  
9 person under the age of 18 shall not be licensed as an agent.

10 (j) The manner and amount of compensation to be paid  
11 licensed sales agents necessary to provide for the adequate  
12 availability of tickets or shares to prospective buyers and for  
13 the convenience of the public.

14 (k) The apportionment of the total annual revenues accruing  
15 from the sale of lottery tickets or shares and from all other  
16 sources for the payment of prizes to the holders of winning tick-  
17 ets or shares, for the payment of costs incurred in the operation  
18 and administration of the lottery, including the expenses of the  
19 bureau and the costs resulting from any contract or contracts  
20 entered into for promotional, advertising, consulting or oper-  
21 ational services or for the purchase or lease of lottery equip-  
22 ment and materials, for the repayment of the money appropriated  
23 to the state lottery fund and for transfer to the general fund.