



**State of Michigan
Bureau of State Lottery**

TYPE:
Directive

NUMBER:
20.SLS.1.9.3

PAGE:
Page 1 of 2

EFFECTIVE DATE:
04/20/2010

CATEGORY:
Retailer Directive

SUBJECT:
LICENSING QUALIFICATIONS FOR RETAILERS

Overview

The Bureau of State Lottery (Bureau) is to produce the maximum amount of net revenues for the state consonant with the general welfare of the people. To accomplish this, the Bureau processes applications and issues licenses for the sale of lottery tickets in accordance with the McCauley-Traxler-Law-Bowman-McNeely Lottery Act (Lottery Act), MCL 432.1, et seq., its rules, and directives. This directive sets forth the qualifications to become a retailer.

1. LICENSING QUALIFICATIONS FOR RETAILERS

An applicant must satisfy the requirements of the Lottery Act, its rules, and directives to qualify for licensing as a retailer. The following are some, but not necessarily all, of the requirements that an applicant must meet to be licensed as a retailer:

- a. Maintain and possess an acceptable credit history (refer to Retailer Directive No.3).
- b. Possess no criminal record that would adversely affect the integrity of the Bureau. Any criminal record must be disclosed on the personal data sheets. This includes, but is not limited to, convictions following a jury or bench trial for crimes involving theft, honesty or moral turpitude, along with guilty pleas, pleas of nolo contendere, or any pleas taken under advisement, as well as criminal charges filed against the applicant or the applicant's principal or owner.
- c. Not engage in business exclusively as lottery sales agent/retailer.
- d. Meet administrative rule 432.3 requirements which state, "In addition to the requirements of section 23 of the Lottery Act, the Commissioner shall consider the following additional factors in determining the eligibility of any prospective licensee or renewal of a license as a retailer:
 - 1. The honesty and integrity of the applicant.
 - 2. The veracity of the information supplied in the application for Lottery retailer's license.
 - 3. The applicant's indebtedness to the state or any local government.
 - 4. The business experience and general fitness of the applicant.
- e. The following factors may be considered by the Bureau in evaluating a location for placement of a terminal:
 - 1. Sales of other goods and services



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2. Customer traffic in the establishment
3. Seating capacity
4. Number of employees
5. Number of cash registers/checkouts within the premises
6. Number of parking spaces at the premises
7. Square footage of the premises
8. Business location of the establishment
9. The establishment's hours of operation
10. Compliance with the American with Disabilities Act of 1990.

f. The Commissioner may place a terminal at any location he or she deems necessary for the purpose of maximizing net lottery revenues.

g. Must satisfy all other guidelines established in the Lottery Act, its rules, and directives.

3. **GOVERNING LAW**

This directive is issued in accordance with the Lottery Act and its rules promulgated thereto. If any part(s) of this directive is held to be invalid, the remaining parts of this directive will continue to be valid and enforceable.

Reference

Licensing Qualifications, Retailer Directive 20.ADA.1.9
Retailer Credit Evaluation, Retailer Directive No. 3

Contact / Update Responsibility

Deputy Commissioner of Sales
Retailer Services Manager

Approving Authority

M. Scott Bowen, Lottery Commissioner

Date