

PART 4. MILLIONAIRE PARTY

R 432.21401 Definitions.

Rule 401. As used in this part:

(a) "Gross profit" means the total revenue less chip redemptions and prizes.

(b) "Millionaire party management" means the handling of cash, chips, and the completion of game records and financial statement.

(c) "Operation" means those duties other than millionaire party management.

R 432.21401a Licensing requirements.

Rule 401a. A qualified organization applying for a millionaire party license shall meet the requirements of R 432.21204.

R 432.21402 Principal officer responsibilities.

Rule 402. The principal officer of the qualified organization shall be responsible for all of the following:

(a) Ensuring that there is full accountability of all gaming assets including, but not limited to, cash, prizes, imitation money or chips, raffle tickets, charity game tickets, numeral game tickets, and all funds derived from the licensed gaming event.

(b) Ensuring that the licensed gaming event is conducted in accordance with the act, these rules, terms of probation, and directives of the bureau.

(c) Ensuring that all records related to the licensed gaming event are current and accurate.

(d) Reviewing all reports and correspondence from the bureau.

(e) Signing and ensuring that the financial statement from the licensed gaming event is submitted to the bureau as prescribed by R 432.21420.

(f) Responding in writing to violation notices as prescribed by R 432.21106.

(g) Ensuring that all workers and raffle ticket sellers are qualified to work the licensed gaming event.

R 432.21403 Millionaire party chairperson; qualifications and duties.

Rule 403. (1) The officers of the qualified organization shall designate at least 1 chairperson to be in charge of and responsible for the conduct of the licensed gaming event in accordance with the act, these rules, terms of probation, and directives of the bureau.

(2) The chairperson is a worker who shall be a bona fide member of the qualified organization for at least 6 months.

(3) The chairperson shall be listed on the license application.

(4) The chairperson shall be familiar with the act, these rules, terms of probation, and directives of the bureau.

(5) The chairperson shall be present on the premises continuously during the occasion.

(6) The chairperson shall be readily identifiable to all millionaire party attendees by wearing a name badge with the word "Chairperson" followed by the name of the licensee and the chairperson's name.

(7) The chairperson shall be in full charge of the licensed gaming event, supervise and direct all workers, and be responsible for assuring the

proper receipting, recording, and depositing of all money derived from the conduct of the licensed gaming event.

(8) The chairperson shall attempt to resolve in accordance with the act, these rules, directives of the bureau, and house rules any disputes that may occur during the conduct of the licensed gaming event.

(9) Any change in the chairperson or persons who are listed on the millionaire party license application shall be immediately submitted to the bureau in writing. The notification shall be signed by the principal officer of the qualified organization.

R 432.21404 Minimum age.

Rule 404. (1) Persons under 18 years of age shall not be permitted to participate in the millionaire party as players and shall not be permitted to operate millionaire party games or assist in the conduct of the licensed gaming event.

(2) Persons under 18 years of age shall not be permitted to play with, operate, handle, collect, or distribute any kind of millionaire party equipment.

(3) Persons under 18 years of age shall not be permitted to sell or purchase raffle tickets, charity game tickets, or numeral game tickets.

R 432.21405 Raffles, charity game tickets, and numeral game tickets.

Rule 405. (1) Raffles held in conjunction with a millionaire party license shall be conducted as prescribed by R 432.21501 to R 432.21522.

(2) Charity game tickets may be sold at a millionaire party as prescribed by R 432.21601 to R 432.21624.

(3) Numeral game tickets may be sold at a millionaire party as prescribed by R 432.21701 to R 432.21721.

R 432.21406 Equipment and games.

Rule 406. (1) Only authorized equipment and games may be used at a millionaire party.

(2) Authorized equipment used in the conduct of millionaire parties shall be maintained in good repair and sound working condition.

(3) The utilization of equipment and methods of play shall be such that each player is afforded an equal opportunity to win.

(4) The licensee shall conduct the millionaire party with equipment that it owns, uses under a bureau approved rental contract, rents or purchases from a licensed supplier, or uses free of charge, except with prior written approval of the bureau based on the best interest of the public welfare.

(5) All of the following millionaire party equipment and games are authorized:

(a) Wheels.

(b) Roulette.

(c) Dice games where players compete only against the licensee.

(d) Twenty-one or blackjack.

(e) Card games approved in writing by the bureau.

(f) Any other equipment or games approved in writing by the bureau.

(6) In all dice games, the size of the dice shall be not less than 3/4 inch.

(7) Millionaire party equipment at a rental location shall be removed within 2 business days after the licensed gaming event, except as approved in writing by the bureau.

R 432.21407 House rules.

Rule 407. (1) The licensee shall establish and adhere to its house rules for the conduct of the millionaire party. At a minimum, the house rules shall contain all of the following information:

- (a) The licensee's name.
 - (b) The license number.
 - (c) The price of imitation money or chips and admission fee, if any.
 - (d) The contingency plan for inclement weather, power outages, equipment failure, and other emergencies.
 - (e) The refund policy.
 - (f) The method of play for all millionaire party games to be conducted.
 - (g) The statutory limit for total prizes or winnings awarded to a single person in a single day.
 - (h) The bet limit for all games.
 - (i) The effective date of the house rules.
- (2) The licensee shall post all of the following, if applicable:
- (a) The limit to the number of hands a player may play.
 - (b) The method by which the winners will be determined and the raffle will be conducted.
 - (c) The redemption claim period for charity game tickets as prescribed by R 432.21611(1)(c).
 - (d) The redemption claim period for numeral game tickets as prescribed by R 432.21709(1)(e).
- (3) The licensee shall post the house rules in a conspicuous place or print the house rules in sufficient number for distribution to all interested persons.
- (4) The house rules shall not be in conflict with the act, these rules, or directives of the bureau.

R 432.21408 Imitation money and chips.

Rule 408. (1) During the conduct of a millionaire party, only imitation money or chips shall be used by the participants. Imitation money or chips shall be used solely for wagering or redemption purposes.

- (2) Imitation money or chips shall not be used for the purchase of food, beverages, raffle tickets, charity game tickets, numeral game tickets, non-gaming items, or tipping.
- (3) Imitation money or chips shall only be sold by authorized sellers.
- (4) Imitation money or chips shall not be sold by dealers or at individual gaming tables.
- (5) Imitation money or chips shall only be redeemed at authorized redemption areas.

R 432.21409 Millionaire party conduct.

Rule 409. (1) Millionaire parties shall only be conducted between the hours of 8 a.m. and 2 a.m.

- (2) The millionaire party license shall be on site and posted in a conspicuous place during the millionaire party occasion.
- (3) A copy of the current license application and any changes shall be on site and available for review.
- (4) Except for disputed prizes, all winners shall be determined and all prizes shall be awarded within the hours stated on the license.
- (5) All winners of raffle prizes shall be determined and all prizes awarded as prescribed by R 432.21515.
- (6) A wager shall not be placed on an athletic event.

(7) A wager shall not be placed on a game, contest, or activity other than an approved game taking place at the location within the hours stated on the license.

(8) Except when dealing the cards, only bona fide members of the qualified organization holding the millionaire party license may perform any of the following millionaire party management duties:

- (a) Counting, distributing, handling, selling, or redeeming chips.
- (b) Receiving, handling, or counting cash.
- (c) Collecting the house rake.
- (d) Paying out cash prizes.
- (e) Paying millionaire party workers.
- (f) Completing the millionaire party game records and financial statement.

(9) A person assisting in the operation of a millionaire party shall be an employee or agent of a millionaire party location or a licensed supplier, except with prior written approval of the bureau. The request for approval shall be submitted to the Charitable Gaming Division, 101 East Hillside, Box 30023, Lansing, Michigan 48909.

(10) Unless approved in writing by the bureau, a location owner or lessor, a shareholder of a privately held corporate owned or leased location, partner, officer, agent, or employee of a location owner or lessor, or a person residing in the same household as a location owner or lessor, shareholder of a privately held corporate owned or leased location, partner, officer, agent, or employee of a location owner or lessor shall not do any of the following:

- (a) Participate in the millionaire party management at the location in which he or she owns, leases, represents, or works.
- (b) Be an officer of a qualified organization conducting a licensed gaming event at the location in which he or she owns, leases, represents, or works.
- (c) Participate as a player in any gaming event being conducted under the millionaire party license at the location in which he or she owns, leases, represents, or works.
- (d) Share in a prize, purchase, play, or accept charity game tickets or numeral game tickets offered for sale by the licensee at any time during the day he or she is working or assisting.
- (e) Split a prize with a player.
- (f) Receive any compensation, food, or beverage as prescribed by R 432.21413.

(11) A person employed by or an agent of a lessor, location, or licensed supplier may accept cash tips at a licensed millionaire party event.

R 432.21410 Game operation.

Rule 410. (1) Players shall not touch the dice and shall use a dice cup when throwing the dice. Only the dealer or operator shall touch the dice.

(2) The dice shall hit the side boards of the table when thrown. If the dice do not hit the side boards, then the roll is void and the dice shall be rolled again.

(3) In blackjack, the dealer shall draw on 16 and under and stand on 17 and over.

(4) There shall not be more than 10 players at a blackjack table.

R 432.21411 Personal limitation on winnings.

Rule 411. A person who participates in a millionaire party shall not be awarded prizes having a total retail value exceeding the limitations as prescribed by the act. This limitation does not include the value of prizes won through raffles, charity game tickets, and numeral games or the value of imitation money or chips purchased during the occasion.

R 432.21412 Workers.

Rule 412. (1) The recordkeeper is a worker who is a bona fide member of the qualified organization.

(2) A worker shall not play millionaire party games in which he or she is working or assisting. A worker may play when not working, after paying admission fees and all other fees in the same manner as other players.

(3) A worker shall not share in a prize, purchase, play, or accept charity game tickets or numeral game tickets offered for sale by the licensee at any time during the day he or she is working or assisting.

(4) A worker shall not split a prize with a player or accept tips of any kind.

R 432.21413 Worker compensation.

Rule 413. (1) The commissioner shall establish a service compensation schedule for workers.

(2) The commissioner may adjust the established service compensation schedule. If an adjustment is proposed, then the licensees shall be given 30 days to comment before the change is implemented.

(3) A worker shall not be compensated more than the amount established by the commissioner in the service compensation schedule, except as prescribed by R 432.21517.

(4) The amount established by the commissioner that may be paid to a worker is as follows:

(a) The chairperson or recordkeeper shall be paid not more than \$50.00 as of the effective date of these rules and the amount may be adjusted by the service compensation schedule not to exceed \$150.00 for his or her services for each day of the licensed gaming event worked.

(b) All other workers, except raffle ticket sellers, shall be paid not more than \$50.00 as of the effective date of these rules and the amount may be adjusted by the service compensation schedule not to exceed \$100.00 for their services for each day of the licensed gaming event worked.

(5) Only 1 person may be paid as chairperson and only 1 person may be paid as recordkeeper per day of the licensed gaming event.

(6) An individual may only be compensated for being 1 of the following per day of the licensed gaming event:

- (a) Chairperson.
- (b) Recordkeeper.
- (c) Worker.

(7) Compensation to workers includes, but is not limited to, any of the following:

- (a) Cash or check.
- (b) Anything of value.

(c) Credit towards dues, tuition, or any other items of value. Any credit given shall not exceed the limit per occasion as prescribed by this rule.

(8) In addition to the compensation as provided by subrule (7) of this rule, workers may also receive food and beverages consumed while working that do not exceed \$10.00 in retail value.

(9) All worker compensation, other than credits, shall be paid on the day of the licensed gaming event.

(10) The names of the workers and amounts paid, including any credits as provided by subrule (7)(c) of this rule, shall be recorded on the workers service record for each day of the licensed gaming event or as directed in writing by the bureau.

(11) Any and all forms of worker compensation shall only be paid from the proceeds of the licensed gaming event or the financial account as prescribed by R 432.21415.

(12) All compensation shall be reported on the financial statement as prescribed by R 432.21420.

R 432.21414 Game records; retention.

Rule 414. (1) Game records pertaining to the licensed gaming event shall be completed and maintained in a current and accurate manner in accordance with the act, these rules, terms of probation, and directives of the bureau. A licensee may be required to complete game records on forms prescribed by the bureau.

(2) Game records shall include a copy of the current license application and any changes.

(3) Game records and all documents supporting entries made in the records shall be available and on site at the occasion and at other times to authorized representatives of the bureau for review.

(4) Game records and all documents supporting entries made in the records shall be kept for at least the current calendar year plus 3 years or as directed in writing by the bureau.

(5) An invoice showing the cost per item for all millionaire party equipment shall be available and on site at the occasion to authorized representatives of the bureau for review.

(6) Game records and all documents supporting entries made in the records may be removed by authorized representatives of the bureau for review.

(7) Game records may be maintained using a computer if they are maintained in accordance with directives of the bureau.

R 432.21415 Accountability; lawful use of proceeds; reasonable expenditures; deposit of proceeds.

Rule 415. (1) The licensee shall be accountable for all cash, prizes, imitation money or chips, raffle tickets, charity game tickets, and numeral game tickets.

(2) In accordance with the act, the entire net proceeds of the licensed gaming event shall be devoted exclusively to the lawful purposes of the qualified organization.

(3) To ensure that all proceeds are used for the lawful purposes of the qualified organization, all financial accounts into which proceeds from the licensed gaming event are deposited or transferred shall be open for review by authorized representatives of the bureau.

(4) The payment of expenses incurred in connection with the conduct of the licensed gaming event shall be necessary and reasonable, but shall not exceed 50% of the gross profit. This amount does not include the license fee.

(5) Each check written from financial accounts into which proceeds from the licensed gaming event are deposited or transferred shall meet all of the following requirements:

(a) Each check shall be preprinted with the name of the licensee.

- (b) The check shall be signed by an authorized person or persons.
- (c) The check shall be made payable to a specific person, business, partnership, corporation, or account.
- (d) A check shall not be made payable to cash or bearer and shall not be drawn in blank.
- (e) The check shall contain a brief description of the expense on the memo line.
- (6) Electronic transfers of funds derived from the conduct of the licensed gaming event shall be done in accordance with directives of the bureau.
- (7) Cancelled checks written from financial accounts into which proceeds from the licensed gaming event are deposited or transferred shall be returned on a monthly basis to the account holder. Copies of the checks are acceptable, if legible, and if originals can be made available upon request by the bureau.
- (8) All monies derived from the conduct of the licensed gaming event shall be deposited into the licensee's financial account within 2 business days of the licensed gaming event or as directed in writing by the bureau.
- (9) Checks shall not be cashed out of the millionaire party start cash or gross revenue.
- (10) Cash prize payments and worker compensation are the only allowable cash expenditures from proceeds of the licensed gaming event. All other millionaire party-related expenses shall be paid by check as prescribed by this rule.

R 432.21416 Rent and rental location agreement.

Rule 416. A location shall not be rented for a millionaire party unless all of the terms and conditions of rental, including the fee, are in a written agreement approved by the bureau.

R 432.21417 Security.

Rule 417. (1) The licensee may assign a worker to provide security services at the millionaire party and that worker shall be eligible for pay as a worker as prescribed by R 432.21413.

(2) A licensee may hire contractual security services and pay them for services at current market rates, provided the activity is conducted in compliance with 1968 PA 330, MCL 338.1051. Persons hired under this subrule shall not assist in the operation of the millionaire party in any other capacity.

R 432.21418 Advertising.

Rule 418. (1) Expenditures by the millionaire party licensee for advertising the licensed gaming event shall be necessary and reasonable.

(2) A licensee, lessor, or location may advertise a licensed gaming event using current and accurate information. The advertising shall include all of the following:

- (a) Name of the licensee.
- (b) License number.
- (c) Purpose for which the net proceeds will be used.
- (3) Advertising shall cease once the gaming event license has expired.
- (4) Advertising via the internet, printed matter, signs, or billboards shall be in the following format:
 - (a) Information in subrule (2) of this rule shall appear in the top half of the advertisement.

(b) Excluding location name, information in subrule (2) of this rule shall be prominently displayed in the same size font, or larger, as the largest font of any other information contained in the advertisement.

(5) Information in subrule (2) of this rule shall be continuously visible and readable in television advertising.

(6) The lessor, location, or licensee shall not advertise the dates or times its location is open for the purpose of conducting a licensed gaming event or the games that will be played at that location unless all the information required in subrule (2) of this rule is contained in the advertising.

(7) The following items are not considered advertising:

(a) A message on an answering machine or voicemail by the lessor, location owner, or licensee at a location where a licensed gaming event is going to occur.

(b) Video, audio, or other means of communication that is broadcast solely within the interior of a location where the licensed gaming event occurs.

(c) Printed matter contained within the interior of a location where a licensed gaming event occurs and that is intended to be visible only from the interior of the location where the licensed gaming event is going to occur.

(d) An internet webpage that does not mention days, dates, times, specific games played, or program information.

(e) A sign located on the property of a location where a licensed gaming event occurs that does not mention days, dates, times, specific games played, or game program information.

R 432.21419 Millionaire party financial records; retention.

Rule 419. All of the following financial records shall be available to authorized representatives of the bureau for review and shall be kept for at least the current calendar year plus 3 years or as directed in writing by the bureau:

(a) A copy of the financial statement as prescribed by R 432.21420.

(b) Bank validated deposit slips for all proceeds from the licensed gaming event.

(c) Bank statements from all financial accounts where proceeds from the licensed gaming event were deposited or transferred.

(d) Cancelled checks or copies of checks, as prescribed by R 432.21415(7) from all financial accounts where proceeds from the licensed gaming event were deposited or transferred.

(e) Invoices or receipts with the date, vendor's name, and a description of the item or service for all expenditures made from financial accounts where proceeds from the licensed gaming event were deposited or transferred.

R 432.21420 Financial statement requirements.

Rule 420. (1) A millionaire party licensee shall submit a financial statement to the bureau on a form, provided by or approved in writing by the bureau, by the tenth day of the month following the month that the licensed gaming event was held.

(2) The financial statement shall be signed by the principal officer of the qualified organization certifying that the information on the financial statement is true, correct, and complete to the best of his or her knowledge.