

PART 10. HALL

R 432.22001 Hall license application.

Rule 1001. (1) A written application for a hall license, on a form provided by or approved in writing by the bureau, shall be approved in writing by the bureau before a location may be rented for the conduct of a regular bingo occasion.

(2) The hall license application shall include additional information as directed by the bureau.

(3) The hall license application shall be accompanied by the appropriate fee.

(4) An applicant shall disclose to the bureau whether any owner, shareholder of the privately held corporation, partner, officer, person residing in the same household as the applicant, or agent of the applicant has ever been convicted or becomes convicted of, or forfeited bond upon a charge of, or plead guilty to any of the following offenses:

- (a) A felony.
- (b) A gambling offense.
- (c) Criminal fraud.
- (d) Forgery.
- (e) Larceny.
- (f) Filing a false report with a governmental agency.

(5) Any changes to the information provided on the hall license application shall be immediately reported to the bureau in writing.

R 432.22002 Additional eligibility factors.

Rule 1002. In addition to the requirements of the act, the commissioner shall consider the following factors when reviewing a hall license application or renewal application:

- (a) The honesty and integrity of the applicant.
- (b) The veracity and accuracy of any information supplied to the bureau by the applicant.
- (c) The applicant's indebtedness to local, state, or federal government.
- (d) A pending lawsuit or bankruptcy proceeding involving the applicant or any owner, shareholder of the privately held corporation, partner, or officer of the applicant.
- (e) The current or past history of compliance of the applicant or any owner, shareholder of the privately held corporation, partner, officer, person residing in the same household as the applicant, or agent of the applicant with the act, these rules, terms of probation, directives of the bureau, public policy of the state of Michigan, or any other local, state, or federal laws or regulations.
- (f) Criminal convictions of the applicant or any owner, shareholder of the privately held corporation, partner, officer, person residing in the same household as the applicant, or agent of the applicant for any of the following offenses:
 - (i) A violation of the act.
 - (ii) A felony.
 - (iii) A gambling offense.
 - (iv) Criminal fraud.
 - (v) Forgery.
 - (vi) Larceny.
 - (vii) Filing a false report with a governmental agency.
 - (g) Any other information considered advisable by the commissioner.

R 432.22003 Hall license expiration; hall license void on ownership change.

Rule 1003. (1) A hall license shall expire at midnight on the last day of February, or if the applicant does not own the facility, on the expiration date of their lease or rental agreement if that date is before the last day of February of the current licensing year. The license is renewable annually upon the submission of a renewal application, provided by or approved in writing by the bureau, unless summarily suspended, suspended, denied, or revoked by the commissioner.

(2) If the ownership changes or any portion of ownership of a privately held corporation, partnership, or sole proprietorship acting as a licensed hall changes, except for deletion of owners or changes in percentage of ownership, then the license issued to that privately held corporation, partnership, or sole proprietorship shall be void and returned to the bureau without delay.

R 432.22004 Hall license; terms and conditions.

Rule 1004. (1) Upon the issuance of a hall license or the renting or allowing the usage of a licensed hall for the conduct of a licensed gaming event, the hall licensee agrees to all of the following terms and conditions:

(a) To be bound by and comply with the act, these rules, terms of probation, directives of the bureau, public policy of the state of Michigan, and any other local, state, and federal laws and regulations.

(b) To not assign or transfer the hall license. A privately held corporation, partnership, or sole proprietorship acting as a licensed hall shall not attempt to sell or transfer an interest in the business without the prior written approval of the bureau.

(c) To post the hall license in a conspicuous place for public inspection at the hall.

(d) To immediately report to the bureau in writing any change in the information stated on or attached to the hall license application.

(e) To not engage in any activity that implies or is a conflict of interest with the hall licensee's duty to remain totally unassociated with the management of a licensed gaming event.

(f) To not directly or indirectly lend, provide, or give money to, or borrow money from a licensee.

(g) To not exert any influence upon a bingo licensee's choice of supplier.

(h) To not offer any promotional game of chance as an inducement to encourage players to patronize the licensed hall.

(i) To maintain all bingo equipment in good repair and sound working order.

(j) To hold the bureau and the state harmless from any liability, including, but not limited to, taxes and legal expenses.

(2) The location at which the licensed hall does business shall be open to inspection during reasonable business hours by an authorized representative of the bureau.

(3) A person shall not refuse to cooperate with, hinder, or obstruct in any way, an authorized representative of the bureau while the representative is in the performance of official duties.

(4) The commissioner may deny, summarily suspend, suspend, revoke, or refuse to renew a hall license as prescribed by R 432.21109 to R 432.21111.

(5) A person convicted of a criminal offense under the act or any other gambling offense shall not participate in a hall license as an owner,

shareholder of the privately held corporation, partner, officer, agent, or employee for a period of 1 year after the conviction becomes final.

R 432.22005 Bingo; rent.

Rule 1005. (1) The hall licensee shall not charge or accept a fee for rent different from the fee that has been approved in writing by the bureau.

(2) The rental fee stated in the agreement, as specified in R 432.21331, shall include all charges payable to the hall licensee for services related directly or indirectly to the conduct of bingo at the licensed hall.

(3) Any changes to the original rental agreement shall be submitted to the bureau in writing for approval prior to implementation. These changes shall be agreed to by both the hall licensee and bingo licensee.

R 432.22006 Bingo; occasions.

Rule 1006. (1) A location shall not be used for more than 14 large bingo, small bingo, or special bingo occasions each week or any combination of large bingo, small bingo, or special bingo occasions. A location includes all components or buildings comprising 1 architectural entity or serving a unified functional purpose.

(2) If more than 1 bingo license is issued for any 1 day at a location, the times of the bingo occasions shall not overlap.

R 432.22007 Advertising.

Rule 1007. (1) A hall licensee 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.

(2) The following items are not considered advertising:

(a) A message on an answering machine or voicemail by the hall licensee.

(b) Any other communication that is used solely at a location where the licensed gaming event occurs.

R 432.22008 Prohibitions.

Rule 1008. (1) Any owner, shareholder of the privately held corporation, partner, officer, agent, or employee of a for-profit licensed hall shall not do any of the following:

(a) Participate in any manner in a licensed gaming event at that hall as a worker or player.

(b) Purchase or play charity game tickets at the licensed hall that they own, manage, or in which they are employed or work.

(c) Purchase raffle tickets or participate in a raffle at the licensed hall that they own, manage, or in which they are employed or work.

(d) Pay for, provide in any manner, or have any interest of any kind in a player's bingo cards, charity game tickets, or raffle tickets.

(e) Provide or share in a prize.

(f) Be a licensed supplier.

(2) A concession worker is subject to subrule (1) of this rule only on days that he or she is working at the for-profit licensed hall.

(3) A person residing in the same household as the owner, shareholder of the privately held corporation, partner, or officer of a for-profit licensed hall is subject to the same rules as the owner, shareholder of the privately held corporation, partner, or officer of the for-profit licensed hall.

(4) An owner, shareholder of the privately held corporation, partner, officer, agent, or manager of a for-profit licensed hall shall not be an officer of the qualified organization that conducts a licensed gaming event at that licensed hall.