

**Michigan Office of Administrative Hearings and Rules**  
**Administrative Rules Division (ARD)**

MOAHR-Rules@michigan.gov

**REQUEST FOR RULEMAKING (RFR)**

**1. Department:**

Treasury

**2. Bureau:**

Michigan Gaming Control Board

**3. Promulgation type:**

Full Process

**4. Title of proposed rule set:**

Casino Gaming

**5. Rule numbers or rule set range of numbers:**

R 432.1101 - R 432.11602

**6. Estimated time frame:**

12 months

**Name of person filling out RFR:**

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**7. Describe the general purpose of these rules, including any problems the changes are intended to address.**

The general purpose of amending the casino gaming rules is to provide consistency with amendments to the Michigan Gaming Control and Revenue Act made effective as of December 20, 2019. At the same time, the proposed amendments revise definitions, increase monetary thresholds for reporting certain transactions by the casino licensees, rescind rules that are duplicative, anticipate multi-jurisdictional wide area progressives, remove executive director responsibility to issue a notice of denial when the Board has taken an action to deny or revoke a license, include a requirement that casino licensees remove disassociated person designation from the casino system once a person is removed from the disassociated persons list, and any other changes that might be necessary.

**8. Please cite the specific promulgation authority for the rules (i.e. department director, commission, board, etc.).**

Section 4(14)(d) of the Michigan Gaming Control and Revenue Act, Initiated Law of 1996, states the MGCB's duties include: "Promulgating the rules as may be necessary to implement, administer, and enforce this act." MCL 432.204(14)(d) and MCL 24.231.

**A. Please list all applicable statutory references (MCLs, Executive Orders, etc.).**

Section 4(14)(d) of the Michigan Gaming Control and Revenue Act, Initiated Law of 1996, MCL 432.204(14)(d), provides the board with the authority to promulgate any rules necessary and proper to implement, administer, and enforce this act. This may include, but need not be limited to, rules that do 1 or more of the following: (i) Govern, restrict, approve, or regulate the casino gaming authorized in this act; (ii) promote the safety, security, and integrity of casino gaming authorized in this act; and (iii) license and regulate persons participating in or involved with casino gaming authorized in this act. See MCL 432.204(14)(d)(i)(ii)(iii).

**B. Are the rules mandated by any applicable constitutional or statutory provision? If so, please explain.**

Yes, section 4(14)(d) of the Michigan Gaming Control and Revenue Act, Initiated Law of 1996, MCL 432.204(14)(d), provides the board with the authority to promulgate any rules necessary and proper to implement, administer, and enforce this act.

**9. Please describe the extent to which the rules conflict with or duplicate similar rules, compliance requirements, or other standards adopted at the state, regional, or federal level.**

The proposed rules do not conflict with or duplicate any similar rules, compliance requirements, or other standards adopted at the state, regional, or federal level.

**10. Is the subject matter of the rules currently contained in any guideline, handbook, manual, instructional bulletin, form with instructions, or operational memoranda?**

The subject matter of the rules is not currently contained in any guideline, handbook, manual, instructional bulletin, form with instructions, or operational memorandum.

**11. Are the rules listed on the department's annual regulatory plan as rules to be processed for the current year?**

Yes, these rules are on the board's annual regulatory plan.

**12. Will the proposed rules be promulgated under Section 44 of the Administrative Procedures Act, 1969 PA 306, MCL 24.244, or under the full rulemaking process?**

Full Process

**13. Please describe the extent to which the rules exceed similar regulations, compliance requirements, or other standards adopted at the state, regional, or federal level.**

These rules do not exceed similar regulations, compliance requirements, or other standards.

**14. Do the rules incorporate the recommendations received from the public regarding any complaints or comments regarding the rules? If yes, please explain.**

These rules address concerns expressed by casino licensees in the areas of contracts, reporting requirements, and definitions of various terms such as key person, live gaming device, related party, related party transaction, and wide area progressive system.

**15. If amending an existing rule set, please provide the date of the last evaluation of the rules and the degree, if any, to which technology, economic conditions, or other factors have changed the regulatory activity covered by the rules since the last evaluation.**

The existing rules were amended in part on May 17, 2019. The board makes a continuous evaluation of the casino gaming rules, which includes review of waiver requests, changes to the law, and industry comments on how to improve operations.

**16. Are there any changes or developments since implementation that demonstrate there is no continued need for the rules, or any portion of the rules?**

The board proposes to rescind Rules 432.1206, R 432.1222, R 432.1310, and R 432.1313. The proposed rescissions are necessary to address matters covered by the statute and to consolidate requirements applicable to applicants and licensees.

**17. Is there an applicable decision record (as defined in MCL 24.203(6) and required by MCL 24.239(2))? If so, please attach the decision record.**

No

**Based on the information provided in this RFR, MOAHR concludes that there are sufficient policy and legal bases for approving the RFR. The RFR satisfies the requirements of the Administrative Procedures Act of 1969, 1969 PA 306, MCL 24.201 to 24.328, and Executive Order No. 2019-6.**