

# Administrative Rule Analysis



## LOTTERY

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**Rule Set No.: 2017-036 TY**  
**Submitted to JCAR on: 01/23/2018**

Analysis available at  
<http://www.legislature.mi.gov>

**Department:**

**Agency:**

**Enabling Statute: McCauley-Traxler-Law-Bowman-McNeely Lottery Act, 192 PA 239, MCL 432.1 et seq.**

**Analysis Complete to: 11/13/2018**

## BACKGROUND AND SUMMARY OF PROPOSED RULES

Rule Set 2017-036 TY provides the following amendments to clarify current rules:

- Updates heading to specify that certain contractors, in addition to employees, are ineligible to win a lottery prize (R 432.2)
- Provides that license fee payment is due at time of application and not the time of issuance (R 432.5)
- Update language to clearly state that no purchase of any winning ticket from its original purchaser is allowed by a Lottery retailer (R 432.6)
- Include language requiring winning tickets to be claimed by natural person to limit individuals from circumventing eligibility requirements and payment of certain debts owed to the state of Michigan by using a trust or other entity to claim the prize (R 432.16)
- Remove language on ownership of lottery tickets by removing "entity" to provide that only a natural person may claim a winning ticket (R 432.17)

## FISCAL IMPACT OF PROPOSED RULES

The rules would likely increase revenues to the state through the payment of debts from lottery winnings by preventing individuals from using a trust or other entity to claim lottery prizes. The state would realize no costs as a result of the rule changes. The rules would have no fiscal impact on local units of government.

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