



824 North Capitol Avenue, Lansing, MI 48906
517.253.0897 | www.micga.org

November 9, 2021

Re: Written Testimony to the Michigan House Regulatory Reform Committee re. HB 5393

Dear Chairman Hauck and other members of the Michigan House Regulatory Reform Committee -

My name is Kate Hude, and I am the Executive Director of the Michigan Charitable Gaming Association (MiCGA). We greatly appreciate the Michigan House Regulatory Reform Committee taking up HB 5393, that would create an avenue for internet raffles in the state of Michigan. We also want to thank Representative Bradley Slagh for introducing this bill.

Currently, the forms of charitable gaming allowed under the Traxler-McCauley Bingo Act include bingo, raffles, and charity game tickets (overseen and regulated by the Charitable Gaming Division of the Michigan Lottery), and millionaire parties (overseen and regulated by the Michigan Gaming Control Board.)

HB 5393 would add internet raffles as an additional type of charitable gaming, and would move oversight and regulation of all raffles (so that would be the traditional small & large raffles, and internet raffles, over to the Michigan Gaming Control Board).

Allowing internet raffles in the state of Michigan would provide an additional opportunity for our charities and schools to raise funds efficiently and safely with minimal up-front expenses.

This is the 2nd time this type of bill has been introduced. HB 5862 from the prior 2019-2020 legislative session passed this Committee, but, unfortunately, did not move past the House floor. The purpose of that bill was to provide some immediate relief to our suffering charities and communities in the midst of the pandemic. At that time, many bingo halls were still shut down, millionaire parties were completely halted, and because charities were unable to host fundraising events or membership meetings, raffles were also halted.

It is imperative that HB 5393 move quickly, and not die during this legislative session. Although millionaire parties have resumed, and bingo halls are open, our charities are still unable to raise the funds they typically are able to raise, and they are worried, not only for their own organization's viability, but more so for their communities, who benefit greatly from the programs, services, and monetary donations they are able to give back every year.



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With regards to potential opposition to this bill – we, along with other interested stakeholders, do not believe that millions of dollars to implement software that the state would then have to manage are necessary. Currently, there are 3rd party web-based vendors already out there that manage online raffles for charities across the United States. The Michigan Gaming Control Board was able to move quickly and efficiently in adopting guidelines and requirements for 3rd party vendors in the internet gaming/sports betting realm, so we are confident that, charged with the directive to do so quickly, that they would be able to do the same for internet raffles.

With regards to the bill as currently written: at this time, the bill only allows for internet raffles of non-cash prizes. MiCGA supports an amendment to HB 5393 that would define internet raffles as including both cash and non-cash prizes, as attendees at events held by our charities are carrying less and less cash and relying more and more on the use of credit and/or debit cards. However, if the legislature chooses to keep it narrowed to only non-cash prizes, we would request that there be greater flexibility in allowing our charities to “pre-sell” raffle tickets and/or take credit card payments at an event, so that a credit and/or debit card can be used to purchase a raffle ticket for a cash prize offered at an event.

In Conclusion:

The allowance of internet raffles would be a win-win for the state, our charities, and their communities.

We are hoping that the legislature, starting with this Committee, will take swift action on advancing HB 5393.

I am happy to provide any additional information requested and appreciate you considering internet raffles. Thank you for your continued support of Michigan’s charities and the small businesses that support them in their charitable gaming endeavors.

Regards,

A handwritten signature in black ink that reads "Kate Hude". The signature is written in a cursive, slightly slanted style.

Katharine M. Hude
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