

Act No. 130  
Public Acts of 1990  
Approved by the Governor  
June 25, 1990  
Filed with the Secretary of State  
June 26, 1990

**STATE OF MICHIGAN  
85TH LEGISLATURE  
REGULAR SESSION OF 1990**

Introduced by Reps. Law and Honigman

# **ENROLLED HOUSE BILL No. 5657**

AN ACT to amend section 303 of Act No. 328 of the Public Acts of 1931, entitled "An act to revise, consolidate, codify and add to the statutes relating to crimes; to define crimes and prescribe the penalties therefor; to provide for the competency of evidence at the trial of persons accused of crime; to provide immunity from prosecution for certain witnesses appearing at such trials; and to repeal certain acts and parts of acts inconsistent with or contravening any of the provisions of this act," as amended by Act No. 464 of the Public Acts of 1988, being section 750.303 of the Michigan Compiled Laws.

*The People of the State of Michigan enact:*

Section 1. Section 303 of Act No. 328 of the Public Acts of 1931, as amended by Act No. 464 of the Public Acts of 1988, being section 750.303 of the Michigan Compiled Laws, is amended to read as follows:

Sec. 303. (1) Except as otherwise provided in this section, a person who for hire, gain, or reward, keeps or maintains a gaming room, gaming table, game of skill or chance, or game partly of skill and partly of chance, used for gaming, or who permits a gaming room, or gaming table, or game to be kept, maintained, or played on premises occupied or controlled by the person, is guilty of a misdemeanor, punishable by imprisonment for not more than 2 years, or a fine of not more than \$1,000.00. A person who aids, assists, or abets in the keeping or maintaining of a gaming room, gaming table, or game, is guilty of a misdemeanor, punishable by imprisonment for not more than 2 years, or a fine of not more than \$1,000.00.

(2) Subsection (1) does not apply to a mechanical amusement device which may, through the application of an element of skill, reward the player with the right to replay the mechanical amusement device at no additional cost if the mechanical amusement device is not allowed to accumulate more than 15 replays at 1 time; the mechanical amusement device is designed so that accumulated free replays may only be discharged by reactivating the device for 1 additional play for each accumulated free replay; and the mechanical amusement device makes no permanent record, directly or indirectly, of the free replays awarded.

(3) Subsection (1) does not apply to a slot machine if the slot machine is 25 years old or older and is not used for gambling purposes. As used in this section, "slot machine" means a mechanical device, an essential part of which is a drum or reel which bears an insignia and which when operated may deliver, as a result of the application of an element of chance, a token or money or property, or by operation of which a person may become entitled to receive, as a result of the application of an element of chance, a token or money or property.

(4) A slot machine which is being used for a gambling purpose in violation of subsection (3) shall be confiscated and turned over to the director of the department of state police for auction.

(5) Subsection (1) does not apply to a crane game. As used in this section, "crane game" means an amusement machine activated by the insertion of a coin by which the player uses 1 or more buttons, joysticks, or similar means of control, or a combination of those means of control, to position a mechanical or electromechanical claw, or other retrieval device, over a prize, toy, or novelty having a wholesale value of not more than \$3.75, and thereby attempts to retrieve the prize, toy, or novelty. Subsections (6) through (14) shall not apply to a crane game if the crane game is 25 years old or older or is used for demonstration and display purposes and is not used or intended to be used for commercial income-generating purposes. "Crane game" does not include a slot machine.

(6) The following license and certificate relating to crane games are required, and shall be obtained from the bureau of state lottery created in the McCauley-Traxler-Law-Bowman-McNeely lottery act, Act No. 239 of the Public Acts of 1972, being sections 432.1 to 432.47 of the Michigan Compiled Laws:

(a) A person who owns 1 or more crane games shall not make that game or those games available for play unless he or she obtains a crane game ownership license. An annual license fee under this subdivision shall be \$500.00. A copy of the license shall be prominently displayed in a conspicuous place adjacent to each location where crane games are available for play.

(b) A person who obtains a license under subdivision (a) also shall obtain an annual crane game certificate for each crane game owned by the person and available for play, which certificate shall be affixed to the crane game. The annual fee for each certificate shall be \$50.00.

(7) An annual crane game ownership license issued under subsection (6)(a) expires at midnight on May 31. If the license is issued for a period of 6 months or less, the fee under subsection (6)(a) for that license shall be reduced by 1/2.

(8) All fees collected by the bureau of state lottery under subsection (6) shall be paid into the state lottery fund created under Act No. 239 of the Public Acts of 1972. All necessary expenses incurred by the bureau of state lottery in the administration and enforcement of subsections (5) to (14) and the regulation of crane games shall be financed from the state lottery fund. The amount of those necessary expenses shall not exceed the amount of all fees collected under subsection (6). At the end of each fiscal year all money, including interest, in the state lottery fund which is attributable to fees collected under subsection (6) but which has not been expended pursuant to this subsection shall be deposited in the state general fund.

(9) The commissioner of the state lottery appointed under Act No. 239 of the Public Acts of 1972 shall promulgate rules pursuant to the administrative procedures act of 1969, Act No. 306 of the Public Acts of 1969, being sections 24.201 to 24.328 of the Michigan Compiled Laws, to implement all of the following:

(a) The issuance of crane game ownership licenses to persons pursuant to subsection (6)(a), including provisions for the revocation or suspension of licenses, and the issuance of crane game certificates under subsection (6)(b).

(b) The establishing of standards for the manufacture and operation of crane games, which standards shall be published and made available by the bureau of state lottery.

(c) The prohibition against a crane game containing either of the following:

(i) A variable resistor or any turn screw, knob, potentiometer, or similar device that is used to alter the electrical closing strength of the crane game's claw.

(ii) A self-regulating claw, the closing strength of which is altered between plays, whether designated as percentaging or other name.

(d) The inspection of crane games during reasonable hours by the bureau of state lottery or a law enforcement officer.

(10) The commissioner of state lottery shall promulgate emergency rules to implement subsection (9) pursuant to Act No. 306 of the Public Acts of 1969.

(11) A person who does any of the following is guilty of a misdemeanor, punishable by imprisonment for not more than 30 days, or a fine of not more than \$5,000.00, or both:

(a) Owns a crane game or games that are available for play without obtaining a license pursuant to subsection (6)(a) or a certificate pursuant to subsection (6)(b).

(b) Makes available for play a crane game that is not in compliance with the elements of the definition contained in subsection (5) or the rules promulgated under subsection (9) or (10), except that a third or subsequent violation of this subdivision is a felony, punishable by imprisonment for not more than 2 years, or a fine of not more than \$20,000.00, or both.

(c) Otherwise fails to comply with the elements of the definition contained in subsection (5), or violates the requirements imposed under subsection (6) or the rules promulgated under subsection (9) or (10).

(12) A person who knowingly alters a crane game that is available for play so that the crane game is not in compliance with the elements of the definition contained in subsection (5) or the rules promulgated under subsection (9) or (10) is guilty of a felony, punishable by imprisonment for not more than 2 years, or a fine of not more than \$20,000.00, or both.

(13) The bureau of state lottery or a law enforcement officer may confiscate any crane game that is available for play and is not in compliance with the elements of the definition contained in subsection (5) or the rules promulgated under subsection (9) or (10). The confiscated crane games and their contents shall not be destroyed, altered, dismantled, sold, or otherwise disposed of except upon order of a court having competent jurisdiction.

(14) A crane game shall not be made available for play in connection with a fund-raising event, as defined in section 7 of the Michigan campaign finance act, Act No. 388 of the Public Acts of 1976, being section 169.207 of the Michigan Compiled Laws. A person who violates this subsection is guilty of a misdemeanor, punishable as provided in subsection (11).

This act is ordered to take immediate effect.

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Clerk of the House of Representatives.

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Secretary of the Senate.

Approved.....

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Governor.