

HOUSE BILL No. 4691

April 16, 1991, Introduced by Rep. Emerson and referred to the Committee on State Affairs.

A bill to amend section 303 of Act No. 328 of the Public Acts of 1931, entitled
"The Michigan penal code,"
as amended by Act No. 130 of the Public Acts of 1990, being section 750.303 of the Michigan Compiled Laws.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Section 1. Section 303 of Act No. 328 of the Public Acts of
2 1931, as amended by Act No. 130 of the Public Acts of 1990, being
3 section 750.303 of the Michigan Compiled Laws, is amended to read
4 as follows:

5 Sec. 303. (1) Except as otherwise provided in this section,
6 a person who for hire, gain, or reward, keeps or maintains a
7 gaming room, gaming table, game of skill or chance, or game
8 partly of skill and partly of chance, used for gaming, or who
9 permits a gaming room, or gaming table, or game to be kept,

1 maintained, or played on premises occupied or controlled by the
2 person, is guilty of a misdemeanor, punishable by imprisonment
3 for not more than 2 years, or a fine of not more than \$1,000.00.
4 A person who aids, assists, or abets in the keeping or maintain-
5 ing of a gaming room, gaming table, or game, is guilty of a mis-
6 demeanor, punishable by imprisonment for not more than 2 years,
7 or a fine of not more than \$1,000.00.

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

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

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

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

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

23 (a) A person who owns 1 or more crane games shall not make
24 that CRANE game or those CRANE games available for play unless he
25 or she obtains a crane game ownership license. An annual license
26 fee under this subdivision shall be \$70.00 PER CRANE GAME FOR A
27 PERSON WHO OWNS 5 OR LESS CRANE GAMES AND \$500.00 FOR A PERSON

1 WHO OWNS 6 OR MORE CRANE GAMES. BEGINNING THE EFFECTIVE DATE OF
 2 THE 1991 AMENDATORY ACT THAT ADDED THIS SENTENCE, A CRANE GAME
 3 OWNER WHO OBTAINS A CRANE GAME OWNERSHIP LICENSE FOR 5 OR LESS
 4 CRANE GAMES BUT WHO, DURING THE LICENSE PERIOD, WISHES TO MAKE
 5 AVAILABLE FOR PLAY MORE THAN 5 CRANE GAMES SHALL PAY AN ADDI-
 6 TIONAL \$430.00 FEE. A copy of the license shall be prominently
 7 displayed in a conspicuous place adjacent to each location where
 8 crane games are available for play.

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

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

18 (8) All fees collected by the bureau of state lottery under
 19 subsection (6) shall be paid into the state lottery fund created
 20 under Act No. 239 of the Public Acts of 1972. All necessary
 21 expenses incurred by the bureau of state lottery in the adminis-
 22 tration and enforcement of subsections (5) to (14) and the regu-
 23 lation of crane game ownership shall be financed from the state lottery
 24 fund. The amount of necessary expenses shall not exceed
 25 the amount of all fees collected under subsection (6). At the
 26 end of each fiscal year, all money, including interest, in the
 27 state lottery fund which is attributable to fees collected under

1 subsection (6) but which has not been expended pursuant to this
2 subsection shall be deposited in the state general fund.

3 (9) The commissioner of the state lottery appointed under
4 Act No. 239 of the Public Acts of 1972 shall promulgate rules
5 pursuant to the administrative procedures act of 1969, Act
6 No. 306 of the Public Acts of 1969, being sections 24.201 to
7 24.328 of the Michigan Compiled Laws, to implement all of the
8 following:

9 (a) The issuance of crane game ownership licenses to persons
10 pursuant to subsection (6)(a), including provisions for the revo-
11 cation or suspension of licenses, and the issuance of crane game
12 certificates under subsection (6)(b).

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

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

18 (i) A variable resistor or any turn screw, knob, potentiome-
19 ter, or similar device that is used to alter the electrical clos-
20 ing strength of the crane game's claw.

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

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

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

4 (11) A person who does any of the following is guilty of a
5 misdemeanor, punishable by imprisonment for not more than
6 30 days, or a fine of not more than \$5,000.00, or both:

7 (a) Owns a crane game or CRANE games that are available for
8 play without obtaining a license pursuant to subsection (6)(a)
9 ~~or~~ AND a certificate pursuant to subsection (6)(b).

10 (b) Makes available for play a crane game that is not in
11 compliance with the elements of the definition contained in sub-
12 section (5) or the rules promulgated under subsection (9) or
13 (10), except that a third or subsequent violation of this subdi-
14 vision is a felony, punishable by imprisonment for not more than
15 2 years, or a fine of not more than \$20,000.00, or both.

16 (c) Otherwise fails to comply with the elements of the defi-
17 nition contained in subsection (5), or violates the requirements
18 imposed under subsection (6) or the rules promulgated under sub-
19 section (9) or (10).

20 (12) A person who knowingly alters a crane game that is
21 available for play so that the crane game is not in compliance
22 with the elements of the definition contained in subsection (5)
23 or the rules promulgated under subsection (9) or (10) is guilty
24 of a felony, punishable by imprisonment for not more than
25 2 years, or a fine of not more than \$20,000.00, or both.

26 (13) The bureau of state lottery or a law enforcement
27 officer may confiscate any crane game that is available for play

1 and is not in compliance with the elements of the definition
2 contained in subsection (5) or the rules promulgated under sub-
3 section (9) or (10). The confiscated crane games and their con-
4 tents shall not be destroyed, altered, dismantled, sold, or oth-
5 erwise disposed of except upon order of a court having competent
6 jurisdiction.

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