



HOUSE BILL No. 5548

May 11 1994 Introduced by Reps Byrum and DeMars and referred to the Committee on Judiciary

A bill to amend section 303 of Act No 328 of the Public Acts of 1931, entitled as amended

"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 does not
17 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~~ 2 or more crane games shall not
24 make that game or those games available for play unless he or she
25 obtains a crane game ownership license An annual license fee
26 under this subdivision shall be \$500 00 A copy of the license

1 shall be prominently displayed in a conspicuous place adjacent to
2 each location where crane games are available for play

3 (b) A person who obtains a license under subdivision (a)
4 also shall obtain an annual crane game certificate for each crane
5 game owned by the person and available for play, which certifi-
6 cate shall be affixed to the crane game The annual fee for each
7 certificate shall be \$50 00

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

12 (8) All fees collected by the bureau of state lottery under
13 subsection (6) shall be paid into the state lottery fund created
14 under Act No 239 of the Public Acts of 1972 All necessary
15 expenses incurred by the bureau of state lottery in the adminis-
16 tration and enforcement of subsections (5) to (14) and the regu-
17 lation of crane games shall be financed from the state lottery
18 fund The amount of those necessary expenses shall not exceed
19 the amount of all fees collected under subsection (6) At the
20 end of each fiscal year all money including interest in the
21 state lottery fund which is attributable to fees collected under
22 subsection (6) but which has not been expended pursuant to this
23 subsection shall be deposited in the state general fund

24 (9) The commissioner of the state lottery appointed under
25 Act No 239 of the Public Acts of 1972 shall promulgate rules
26 pursuant to the administrative procedures act of 1969, Act
27 No 306 of the Public Acts of 1969, being sections 24 201 to

1 24 328 of the Michigan Compiled Laws, to implement all of the
2 following

3 (a) The issuance of crane game ownership licenses to persons
4 pursuant to subsection (6)(a), including provisions for the revo-
5 cation or suspension of licenses, and the issuance of crane game
6 certificates under subsection (6)(b)

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

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

12 (1) A variable resistor or any turn screw, knob potentiome-
13 ter or similar device that is used to alter the electrical clos-
14 ing strength of the crane game s claw

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

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

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

23 (11) A person who does any of the following is guilty of a
24 misdemeanor, punishable by imprisonment for not more than
25 30 days, or a fine of not more than \$5,000 00, or both

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

4 (b) Makes available for play a crane game that is not in
5 compliance with the elements of the definition contained in sub-
6 section (5) or the rules promulgated under subsection (9) or
7 (10), except that a third or subsequent violation of this subdi-
8 vision is a felony, punishable by imprisonment for not more than
9 2 years, or a fine of not more than \$20,000 00, or both

10 (c) Otherwise fails to comply with the elements of the defi-
11 nition contained in subsection (5) or violates the requirements
12 imposed under subsection (6) or the rules promulgated under sub-
13 section (9) or (10)

14 (12) A person who knowingly alters a crane game that is
15 available for play so that the crane game is not in compliance
16 with the elements of the definition contained in subsection (5)
17 or the rules promulgated under subsection (9) or (10) is guilty
18 of a felony, punishable by imprisonment for not more than
19 2 years or a fine of not more than \$20,000 00 or both

20 (13) The bureau of state lottery or a law enforcement offi-
21 cer may confiscate any crane game that is available for play and
22 is not in compliance with the elements of the definition con-
23 tained in subsection (5) or the rules promulgated under subsec-
24 tion (9) or (10) The confiscated crane games and their contents
25 shall not be destroyed, altered dismantled, sold or otherwise
26 disposed of except upon order of a court having competent
27 jurisdiction

1 (14) A crane game shall not be made available for play in
2 connection with a fund-raising event, as defined in section 7 of
3 the Michigan campaign finance act, Act No 388 of the Public Acts
4 of 1976, being section 169 207 of the Michigan Compiled Laws A
5 person who violates this subsection is guilty of a misdemeanor,
6 punishable as provided in subsection (11)