



Senate Fiscal Agency
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BILL ANALYSIS



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House Bill 5176 (Substitute H-1 as passed by the House)
Sponsor: Representative Michael Griffin
House Committee: Regulatory Affairs
Senate Committee: Local, Urban and State Affairs

Date Completed: 2-13-96

CONTENT

The bill would amend the Michigan Penal Code to delete provisions that require licensure and certification for crane games, and to include edible items among the things that may be retrieved during crane games.

Currently, the Penal Code makes various exceptions to its prohibition against gaming, including an exception for crane games. "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". The bill would include "an edible item" among the things that may be retrieved.

The Code requires a person who owns any crane games to obtain a crane game ownership license, for an annual fee of \$500, before making the games available for play. A licensee also must obtain an annual crane game certificate, for a \$50 annual fee, for each crane game owned and available for play. All fees must be paid into the State Lottery Fund, which is responsible for financing the regulation of crane games. The Code requires the State Lottery Commissioner to implement the issuance of licenses and certificates, the establishment of standards for the manufacture and operation of crane games, a prohibition against crane games that contain a device altering the strength of the claw, and the inspection of crane games. In addition, the Code prescribes criminal penalties for crane game violations, authorizes the confiscation of noncomplying crane games, and prohibits making crane games available for play in connection with a campaign fund-raising event. The bill would delete all of these provisions.

MCL 750.303

Legislative Analyst: S. Margules

FISCAL IMPACT

According to the Lottery Bureau, the revenue derived from crane game licenses and certificates totals approximately \$182,000 annually. The bill would eliminate this revenue; however, this is expected to be offset by eliminating the cost associated with the processing of licenses and certificates as well as the reduction in on-site inspections.

Fiscal Analyst: M. Bain

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