

SENATE BILL NO. 1065

May 26, 2022, Introduced by Senators LAUWERS and ANANICH and referred to the Committee on Regulatory Reform.

A bill to amend 1931 PA 328, entitled
"The Michigan penal code,"
by amending sections 303 and 310b (MCL 750.303 and 750.310b),
section 303 as amended by 1996 PA 129 and section 310b as amended
by 2010 PA 219.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 303. (1) Except as otherwise provided in this section, a
2 person who for hire, gain, or reward, keeps or maintains a gaming
3 room, gaming table, game of skill or chance, or game partly of
4 skill and partly of chance, used for gaming, or who permits a
5 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~~**some** 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~~**does all of the following:**

(a) **Not** accumulate more than 15 replays at 1 time. ~~the mechanical amusement device is~~

(b) **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~~

(c) **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~~**that** bears an insignia and ~~which~~**that** 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.

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

4 (5) Subsection (1) does not apply to a crane game. **redemption**
5 **game machine**. As used in this section, ~~"crane game" means an~~
6 ~~amusement machine activated by the insertion of a coin by which the~~
7 ~~player uses 1 or more buttons, joysticks, or similar means of~~
8 ~~control, or a combination of those means of control, to position a~~
9 ~~mechanical or electromechanical claw, or other retrieval device,~~
10 ~~over a prize, toy, novelty, or an edible item having a wholesale~~
11 ~~value of not more than \$3.75, and thereby attempts to retrieve the~~
12 ~~prize, toy, novelty, or edible item. Every prize, toy, or edible~~
13 ~~item must be retrievable by the claw. A slot machine is not~~
14 ~~considered a crane game.~~

15 (6) A person who knowingly alters a crane game that is
16 available for play so that the crane game is not in compliance with
17 the elements of the definition contained in subsection (5) is
18 guilty of a felony, punishable by imprisonment for not more than 2
19 years, or a fine of not more than \$20,000.00, or both.

20 (7) A law enforcement officer may confiscate any crane game
21 that is available for play and is not in compliance with the
22 elements of the definition contained in subsection (5). The
23 confiscated crane games and their contents shall not be destroyed,
24 altered, dismantled, sold, or otherwise disposed of except upon
25 order of a court having competent jurisdiction.

26 (8) The following notice shall be conspicuously posted on the
27 front of every crane game located in this state: "This game is not
28 licensed or regulated by the state of Michigan." **"redemption game**
29 **machine" means that term as defined in section 310b.**

1 Sec. 310b. (1) This chapter does not apply to a redemption
2 game **machine** if all of the following conditions are met:

3 (a) The outcome of ~~the game~~ **a single play of the redemption**
4 **game machine** is determined through the application of ~~an some~~
5 element of skill **or any combination of skill and chance** by the
6 player.

7 (b) The ~~award of the prize~~ **outcome of the game** is based upon
8 the player's achieving the object of the game or otherwise upon the
9 player's score.

10 (c) Only noncash prizes, **stored value or gift cards**, toys,
11 novelties, **edible items**, or coupons or other representations of
12 value redeemable for noncash prizes ~~, toys, or novelties are may be~~
13 awarded. ~~A~~ **The offer of stored value or gift card may be cards**
14 awarded under this subdivision ~~if all of the following apply:are~~
15 **subject to all of the following conditions:**

16 (i) ~~The gift card is usable only at a retailer or an affiliated~~
17 ~~group of retailers.~~ **The value of any stored value or single gift**
18 **card does not exceed \$500.00.**

19 (ii) The **stored value or** gift card is issued in a specified
20 amount.

21 (iii) The **stored value or** gift card is redeemable only for goods
22 ~~and or~~ services available ~~from the retailer or retailers~~ and not
23 for cash.

24 (iv) Information on the **stored value or** gift card may not be
25 altered with the use of a personal identification number.

26 (d) The **maximum** wholesale value of ~~a any~~ prize ~~, toy, or~~
27 novelty awarded for ~~the successful single play of a game is not~~
28 ~~more than \$3.75.~~ **redemption must not exceed \$500.00. A player may**
29 **win more than 1 prize.**

~~(c) The redemption value of coupons or other representations of value awarded for the successful single play of a game does not exceed 15 times the amount charged for a single play of the game or a \$3.75 per-play average, whichever is less. However, players may accumulate coupons or other representations of value for redemption for noncash prizes, toys, or novelties of a greater value up to, but not exceeding, \$500.00 wholesale value.~~

~~(2) As used in this section: , "redemption game" means a single player or multiplayer mechanical, electronic, or manual amusement device involving a game, the object of which is throwing, rolling, bowling, shooting, placing, propelling, or stopping a ball or other object into, upon, or against a hole or other target. Redemption game does not include either of the following:~~

~~(a) A game such as roulette, beano, cards, dice, wheel of fortune, video poker, a slot machine, or another game in which winning depends primarily upon fortuitous or accidental circumstances beyond the control of the player.~~

~~(b) A game that includes a mechanical or physical device that directly or indirectly impairs or thwarts the skill of the player.~~

(a) "Crane game" means a redemption game machine offered for play and activated by the insertion of a coin, token, or other payment device by which the player uses 1 or more buttons, joysticks, or similar means of control, or a combination of the means of control, to position a mechanical or electromechanical claw or other retrieval device over a prize, toy, novelty, or edible item to attempt to retrieve the prize, toy, novelty, or edible item. Every prize, toy, novelty, and edible item must be retrievable by the claw and adhere to the prize value limit set forth in subsection (1).

1 (b) "Person" means an individual, association, trustee,
2 receiver, partnership, corporation, limited liability company, or
3 organization, or a manager, agent, servant, or employee of an
4 individual, association, trustee, receiver, partnership,
5 corporation, limited liability company, or organization.

6 (c) "Pusher game" means a redemption game machine activated by
7 a coin, token, or other payment device by which a player uses
8 buttons, joy sticks, or a combination of those means to control a
9 pusher bar to push a prize, toy, novelty, or edible item into a
10 prize dispenser.

11 (d) "Redemption game machine" means a game, including, but not
12 limited to, a crane game, a pusher game, or a single player or
13 multiplayer mechanical, electronic, or manual amusement device,
14 that is either physically played or played using electronic
15 controls or a computer generated on a video monitor display or a
16 display whose purpose is to award prizes under this section. A
17 redemption game machine may allow a player to accumulate coupons or
18 other representations of value. A redemption game machine does not
19 include any of the following:

20 (i) A game in which a player can take no action to influence
21 the outcome.

22 (ii) A game in which the outcome is determined entirely by
23 chance or fortuitous or accidental circumstances that are beyond
24 the influence of a player applying some element of skill.

25 (e) "Some element of skill" means a player has the ability to
26 influence the outcome of the game through the application of any of
27 the following factors alone or in combination:

28 (i) A learned power of doing a thing competently.

29 (ii) A particular craft, art, ability, strategy, or tactic.

(iii) A developed or acquired aptitude or ability.

(iv) A coordinated set of actions, including, but not limited to, eye-hand coordination.

(v) Dexterity, fluency, or coordination in the execution of learned physical or mental tasks, or both.

(vi) Technical proficiency or expertise.

(vii) Development or implementation of strategy or tactics in order to achieve a goal.

(viii) Knowledge of the means or methods of accomplishing a task.

(3) A person shall offer for play no more than 8 redemption game machines that award gift cards as a prize, at any one location.

(4) A person that violates this section is guilty of a misdemeanor punishable by imprisonment for not more than 1 year or a fine of not more than \$20,000.00, or both. A redemption game machine that is found to be in violation of this section may be confiscated by the department of state police and offered at public auction.

(5) The attorney general may commence and maintain a civil action, including a request for legal or equitable remedies, for ongoing, past, or future violations of this section. The attorney general may collect reasonable attorney fees and costs expended in a successful prosecution of the action.

(6) A person may commence and maintain a private civil action to enforce this section, including a request for legal or equitable remedies, for ongoing, past, or future violations of this section. A person that successfully prosecutes an action under this subsection may collect reasonable attorney fees and costs expended.