HOUSE BILL NO. 6083

November 13, 2024, Introduced by Rep. Snyder 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:

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

- 1 played on premises occupied or controlled by the person, is quilty
- 2 of a misdemeanor, punishable by imprisonment for not more than 2
- 3 years, or a fine of not more than \$1,000.00. A person who aids,
- 4 assists, or abets in the keeping or maintaining of a gaming room,
- 5 gaming table, or game, is guilty of a misdemeanor, punishable by
- 6 imprisonment for not more than 2 years, or a fine of not more than
- 7 \$1,000.00.
- 8 (2) Subsection (1) does not apply to a mechanical amusement
- 9 device which may, through the application of an-some element of
- 10 skill, reward the player with the right to replay the mechanical
- 11 amusement device at no additional cost if the mechanical amusement
- 12 device is not allowed to does all of the following:
 - (a) Not accumulate more than 15 replays at 1 time. ; the
- 14 mechanical amusement device is
- 15 (b) Is designed so that accumulated free replays may only be
- 16 discharged by reactivating the device for 1 additional play for
- 17 each accumulated free replay. ; and the mechanical amusement device
- 18 makes

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- 19 (c) Makes no permanent record, directly or indirectly, of the
- 20 free replays awarded.
- 21 (3) Subsection (1) does not apply to a slot machine if the
- 22 slot machine is 25 years old or older and is not used for gambling
- 23 purposes. As used in this section, "slot machine" means a
- 24 mechanical device, an essential part of which is a drum or reel
- 25 which that bears an insignia and which that when operated may
- 26 deliver, as a result of the application of an element of chance, a
- 27 token or money or property, or by operation of which a person may
- 28 become entitled to receive, as a result of the application of an
- 29 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 must 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. redemption game machine. 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, novelty, or an edible item having a wholesale value of not more than \$3.75, and thereby attempts to retrieve the prize, toy, novelty, or edible item. Every prize, toy, or edible item must be retrievable by the claw. A slot machine is not considered a crane game.
- (6) 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) 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.
- (7) 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). 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.
- (8) The following notice shall be conspicuously posted on the front of every crane game located in this state: "This game is not licensed or regulated by the state of Michigan." "redemption game machine" means that term as defined in section 310b.

- Sec. 310b. (1) This chapter does not apply to a redemption
 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 influenced through the application of an
 5 some 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 on the player's player achieving the object of the game or
 9 otherwise upon on the player's score.

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- (c) Only noncash prizes, stored value cards, toys, novelties, edible items, or coupons or other representations of value redeemable for noncash prizes , toys, or novelties are may be awarded. A gift card may be The offer of stored value cards awarded under this subdivision if all of the following apply:is 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 card does not
 18 exceed \$500.00.
- 19 (ii) The gift stored value card is issued in a specified 20 amount.
- 21 (iii) The gift stored value 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 gift-stored value card may not be25 altered with the use of a personal identification number.
- (d) The maximum wholesale value of a any prize , toy, or novelty awarded for the successful single play of a game is not more than \$3.75.redemption game machine must not exceed \$500.00. A player may win more than 1 stored value card in a 24-hour period.

- (e) 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 under 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, mechanical arm, or other electronic means to push or
- 10 direct a token, ball, novelty, or edible item into a dispenser or a
- 11 closed loop system to award points or prizes. Currency, including
- 12 paper money or coins, of any country, including, but not limited
- 13 to, the United States, or Bitcoin must not be displayed on the
- 14 pusher bed. A stored value card or other prize, toy, or edible item
- 15 awarded must adhere to the prize value limit under subsection (1).
- (d) "Redemption game machine" means a game, including, but not
- 17 limited to, a crane game, a pusher game, or a single player or
- 18 multiplayer mechanical, electronic, or manual amusement device,
- 19 that is either physically played or played using electronic
- 20 controls or a computer generated on a video monitor display or a
- 21 display whose purpose is to award prizes under this section. A
- 22 redemption game machine may allow a player to accumulate coupons or
- 23 other representations of value. A redemption game machine does not
- 24 include any of the following:
- 25 (i) A game in which a player can take no action to influence
- 26 the outcome.
- 27 (ii) A game in which the outcome is determined entirely by
- 28 chance or fortuitous or accidental circumstances that are beyond
- 29 the influence of a player applying some element of skill.

- 1 (e) "Some element of skill" means a player has the ability to 2 influence the outcome of the game through the application of any of 3 the following factors alone or in combination:
- 4 (i) A learned power of doing a thing competently.
- 5 (ii) A particular craft, art, ability, strategy, or tactic.
- 6 (iii) A developed or acquired aptitude or ability.
- 7 (iv) A coordinated set of actions, including, but not limited 8 to, eye-hand coordination.
- 9 (v) Dexterity, fluency, or coordination in the execution of 10 learned physical or mental tasks, or both.
- 11 (vi) Technical proficiency or expertise.
- 12 (vii) Development or implementation of strategy or tactics in 13 order to achieve a goal.
- 14 (viii) Knowledge of the means or methods of accomplishing a 15 task.
- 16 (f) "Stored value card" means an electronic card, including a 17 gift card, preloaded with a specific dollar amount and that 18 satisfies the conditions under subsection (1).
- 19 (3) A person shall offer for play no more than 8 redemption 20 game machines that award stored value cards as a prize at any 1 21 establishment.
- 22 (4) A person that violates this section is guilty of a
 23 misdemeanor punishable by imprisonment for not more than 1 year or
 24 a fine of not more than \$20,000.00, or both. A redemption game
 25 machine that is found to be in violation of this section may be
 26 confiscated by the director of the department of state police and
 27 offered at public auction.
- 28 (5) The attorney general may commence and maintain a criminal 29 or civil action, including a request for legal or equitable

remedies, for a violation 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 cause of action to enforce this section, including a request for legal or equitable remedies, for ongoing or future violations of this section. A person that successfully prosecutes an action under this subsection may collect reasonable attorney fees and costs expended.
- (7) A person holding an on- or off-premises liquor license issued by the liquor control commission of this state that offers a redemption game machine for play that awards a stored value card as a prize shall pay an annual regulatory fee of \$100.00 for each redemption game machine offered for play on the person's premises. The regulatory fee is payable to the liquor control commission on the first business day in January each year and must be used as a license or license renewal fee under section 543 of the Michigan liquor control code of 1998, 1998 PA 58, MCL 436.1543.
- 18 (8) A person offering a redemption game machine for play that
 19 awards a stored value card as a prize shall post an electronic or
 20 written notification on the redemption game machine stating all of
 21 the following:
 - (a) This redemption game machine is offered for play in accordance with MCL 750.310b.
- 24 (b) This redemption game machine is intended for play by
 25 individuals 18 years of age or older.
- (c) The software within this redemption game machine has been inspected by an independent gaming compliance laboratory and was, at the time of inspection, found to be in compliance with MCL 750.310b.

- 1 (d) This redemption game machine requires the application of 2 some skill.
- 3 (e) Cash will not be awarded as a prize. A player who applies
- 4 some skill and achieves the object of the game or a preestablished
- 5 score will be awarded a stored value card or a prize authorized
- 6 under this section.
- 7 (f) Stored value cards are subject to all of the following 8 conditions:
- 9 (i) The value of any single stored value card must not exceed 10 \$500.00.
- 11 (ii) The stored value card must be issued in a specified 12 amount.
- 13 (iii) The stored value card is redeemable only for goods or 14 services and not for cash.
- 15 (iv) The information on the stored value card may not be 16 altered with the use of a personal identification number.
- 17 (g) The maximum value of a stored value card must not exceed 18 \$500.00.
- 19 (h) A player may win more than 1 stored value card in a 24-20 hour period.
- (9) A person offering redemption game machines for play within the person's establishment, or a person engaged in the supply of redemption game machines to an establishment in this state, may do all of the following:
- 25 (a) Assert compliance with this act as an affirmative defense 26 to any prosecution or civil or disciplinary proceeding alleging a 27 violation of this section. The defense under this subsection must 28 be presumed valid if the evidence shows that an independent
- 29 electronic game compliance laboratory has tested the software

- 1 within the redemption game machine and has offered a professional
- 2 opinion that all of the following are true:
- 3 (i) The redemption game machine requires a player to apply some
- 4 skill.
- 5 (ii) An individual playing the redemption game machine can take
- 6 action to influence the outcome of the game.
- 7 (iii) The outcome of the game is not determined entirely on
- 8 chance or fortuitous or accidental circumstances that are beyond
- 9 the influence of a player.
- 10 (b) In a civil or administrative proceeding, assert compliance
- 11 with this section in a motion to dismiss. The charges must be
- 12 dismissed following an evidentiary hearing where the person shows,
- 13 by a preponderance of the evidence, each of the elements under
- 14 subdivision (a). If a person shows the person has met each of the
- 15 elements under subdivision (a), the person is not subject to either
- 16 of the following:
- 17 (i) Disciplinary action by a regulatory agency.
- 18 (ii) Forfeiture of any interest in or right to property.
- 19 (c) In a criminal proceeding, assert compliance with this
- 20 section in a motion to dismiss the charges. The defense must be
- 21 presumed valid and the charges must be dismissed following an
- 22 evidentiary hearing where the person demonstrates, by a
- 23 preponderance of the evidence, each of the elements under
- 24 subsection (a). Nothing in this section may be construed to relieve
- 25 a prosecutor or the attorney general, in a criminal proceeding, of
- 26 the burden of proving, beyond a reasonable doubt, that the
- 27 defendant did not comply with this act.
- 28 (10) Subsections (1) and (2) of this section, as amended by
- 29 the amendatory act that added this subsection, apply retroactively

1 to January 1, 2022.