

HOUSE BILL No. 5915

June 4, 1998, Introduced by Rep. Gagliardi and referred to the Committee on House Oversight and Ethics.

A bill to amend 1931 PA 328, entitled
"The Michigan penal code,"
by amending sections 302 and 303 (MCL 750.302 and 750.303),
section 302 as amended by 1989 PA 85 and section 303 as amended
by 1996 PA 129.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 302. (1) ~~Keeping and occupying building for gaming,~~
2 ~~etc.~~ Except as provided in subsection (2), any person, or
3 ~~his~~ THE PERSON'S agent or employee who ~~shall,~~ directly or
4 indirectly ~~, keep or occupy or assist~~ KEEPS OR OCCUPIES OR
5 ASSISTS in keeping or occupying ~~any~~ A common gambling house or
6 ~~any~~ A building or place where gaming is permitted ~~or suffered~~
7 or who ~~shall suffer or permit~~ PERMITS AN APPARATUS USED FOR
8 GAMING OR GAMBLING on any premises owned, occupied, or controlled
9 by him ~~any apparatus used for gaming or gambling~~ OR HER or who

1 ~~shall use~~ USES such apparatus for gaming or gambling in any
2 place within the state of Michigan, ~~shall be~~ IS guilty of a
3 ~~misdemeanor~~ FELONY, punishable by imprisonment ~~in the county~~
4 ~~jail~~ FOR not more than ~~1 year~~ 10 YEARS or by a fine of not
5 more than ~~\$500.00~~ \$100,000.00.

6 (2) This section does not prohibit the FOLLOWING:

7 (A) THE manufacture of gaming or gambling apparatus or the
8 possession of gaming or gambling apparatus by the manufacturer OR
9 ITS SUBSIDIARY of the apparatus solely for sale outside of the
10 state, or for sale to a gambling establishment OR, PURSUANT TO
11 SUBDIVISION (B), A PROPRIETARY SCHOOL OR INSTITUTION OF HIGHER
12 EDUCATION operating within this state in compliance with the laws
13 of this state, if applicable, and in compliance with the laws of
14 the United States, provided the manufacturer meets or exceeds
15 federal government requirements in regard to manufacture, stor-
16 age, and transportation.

17 (B) THE POSSESSION OR USE OF GAMING EQUIPMENT AND SUPPLIES
18 BY A PROPRIETARY SCHOOL OR AN INSTITUTION OF HIGHER EDUCATION FOR
19 EDUCATIONAL OR DEMONSTRATION PURPOSES, IF THE PROPRIETARY SCHOOL
20 OR INSTITUTION OF HIGHER EDUCATION SATISFIES ALL OF THE FOLLOWING
21 CONDITIONS:

22 (i) MAINTAINS A CURRENT ITEMIZED LIST OF ITS DEALING SHOES,
23 GAMING TABLES, ROULETTE WHEELS, AND OTHER GAMBLING GAMES AS THAT
24 TERM IS DEFINED IN SECTION 2 OF THE MICHIGAN GAMING CONTROL AND
25 REVENUE ACT, THE INITIATED LAW OF 1996, MCL 432.202, AND PROVIDES
26 A COPY OF THE LIST TO THE MICHIGAN GAMING CONTROL BOARD. IF ANY
27 GAMING EQUIPMENT OR SUPPLIES ARE DISPOSED OF OR ARE NO LONGER

1 USED, THE PROPRIETARY SCHOOL OR INSTITUTION OF HIGHER EDUCATION
2 SHALL ADVISE THE MICHIGAN GAMING CONTROL BOARD IN WRITING OF THE
3 DISPOSITION OF THE EQUIPMENT OR SUPPLIES AND AMEND THE CURRENT
4 ITEMIZED LIST ACCORDINGLY.

5 (ii) DOES NOT POSSESS OR DISPOSE OF GAMING EQUIPMENT OR SUP-
6 PLIES DESCRIBED IN THIS SECTION IN VIOLATION OF APPLICABLE STATE
7 AND FEDERAL LAW.

8 (iii) POSSESSES AND USES ONLY CHIPS AND TOKENS THAT ARE DIS-
9 TINCTLY DISSIMILAR TO THE CHIPS AND TOKENS USED BY A CASINO
10 LICENSED UNDER THE MICHIGAN GAMING CONTROL AND REVENUE ACT, THE
11 INITIATED LAW OF 1996, MCL 432.201 TO 432.226, AND SUBMITS REPRE-
12 SENTATIVE SAMPLES OF CHIPS AND TOKENS TO THE MICHIGAN GAMING CON-
13 TROL BOARD FOR APPROVAL BEFORE UTILIZING THEM IN TRAINING.

14 (iv) PERMANENTLY IMPRINTS ITS NAME ON OR AFFIXES ITS NAME TO
15 ALL GAMING EQUIPMENT.

16 (v) PROVIDES ADEQUATE SECURITY FOR THE PROTECTION OF THE
17 GAMING EQUIPMENT, CHIPS, AND TOKENS, INCLUDING, AT A MINIMUM, ALL
18 OF THE FOLLOWING:

19 (A) ENSURING THAT THE GAMING EQUIPMENT IS USED BY A PROPRI-
20 ETARY SCHOOL ONLY FOR THE PURPOSE OF TRAINING STUDENTS IN A GAM-
21 BLING TRADE OR BY AN INSTITUTION OF HIGHER EDUCATION FOR EDUCA-
22 TION OR DEMONSTRATION PURPOSES.

23 (B) OBTAINING WRITTEN APPROVAL FROM THE MICHIGAN GAMING CON-
24 TROL BOARD BEFORE DISPOSING OF ANY GAMING EQUIPMENT, CHIPS, OR
25 TOKENS.

26 (C) REPORTING IN WRITING TO THE MICHIGAN GAMING CONTROL
27 BOARD ANY THEFT, REMOVAL, OR LOSS OF ANY GAMING EQUIPMENT, CHIPS,

1 OR TOKENS NOT MORE THAN 5 BUSINESS DAYS AFTER THE THEFT, REMOVAL,
2 OR LOSS.

3 (3) AS USED IN THIS SECTION:

4 (A) "CURRENT ITEMIZED LIST" MEANS A LIST THAT IS UPDATED NOT
5 MORE THAN 10 BUSINESS DAYS AFTER A CHANGE IN THE PROPRIETARY
6 SCHOOL'S OR INSTITUTION OF HIGHER EDUCATION'S INVENTORY OF GAMING
7 EQUIPMENT, SUPPLIES, AND GAMBLING GAMES.

8 (B) "EDUCATIONAL OR DEMONSTRATION PURPOSES" DOES NOT INCLUDE
9 A WAGER FOR MONEY, CREDIT, OR ANY OTHER REPRESENTATIVE OF VALUE.

10 (C) "PROPRIETARY SCHOOL" MEANS THAT TERM AS DEFINED UNDER
11 SECTION 1A OF 1943 PA 148, MCL 395.101A.

12 (4) PURSUANT TO SECTION 2 OF CHAPTER 1194, 64 STAT. 1134, 15
13 U.S.C. 1172, APPROVED JANUARY 2, 1951, THE STATE OF MICHIGAN,
14 ACTING BY AND THROUGH DULY ELECTED AND QUALIFIED MEMBERS OF THE
15 LEGISLATURE, DOES DECLARE AND PROCLAIM THAT THE STATE IS EXEMPT
16 FROM CHAPTER 1194, 64 STAT. 1134, 15 U.S.C. 1171 TO 1178.

17 (5) ALL SHIPMENTS OF GAMBLING DEVICES, INCLUDING SLOT
18 MACHINES, TO LICENSED PROPRIETARY SCHOOLS OR INSTITUTIONS OF
19 HIGHER EDUCATION, THE REGISTERING, RECORDING, AND LABELING OF
20 WHICH HAVE BEEN COMPLETED BY THE MANUFACTURER OR DEALER THEREOF
21 IN ACCORDANCE WITH CHAPTER 1194, 64 STAT. 1134, 15 U.S.C. 1171 TO
22 1178, ARE LEGAL SHIPMENTS OF GAMBLING DEVICES INTO THE STATE OF
23 MICHIGAN.

24 Sec. 303. (1) Except as otherwise provided in this section,
25 a person who for hire, gain, or reward, keeps or maintains a
26 gaming room, gaming table, game of skill or chance, or game
27 partly of skill and partly of chance, used for gaming, or who

1 permits a gaming room, or gaming table, or game to be kept,
2 maintained, or played on premises occupied or controlled by the
3 person, is guilty of a ~~misdemeanor~~ FELONY, punishable by
4 imprisonment for not more than ~~2~~ 10 years, or a fine of not
5 more than ~~\$1,000.00~~ \$100,000.00. A person who aids, assists,
6 or abets in the keeping or maintaining of a gaming room, gaming
7 table, or game, is guilty of a ~~misdemeanor~~ FELONY, punishable
8 by imprisonment for not more than ~~2~~ 10 years, or a fine of not
9 more than ~~\$1,000.00~~ \$100,000.00.

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

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

1 entitled to receive, as a result of the application of an element
2 of chance, a token or money or property.

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

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

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

23 (7) A law enforcement officer may confiscate any crane game
24 that is available for play and is not in compliance with the ele-
25 ments of the definition contained in subsection (5). The confis-
26 cated crane games and their contents shall not be destroyed,

1 altered, dismantled, sold, or otherwise disposed of except upon
2 order of a court having competent jurisdiction.

3 (8) The following notice shall be conspicuously posted on
4 the front of every crane game located in this state: "This game
5 is not licensed or regulated by the state of Michigan."

6 (9) SUBSECTION (1) DOES NOT APPLY TO THE POSSESSION OR USE
7 OF GAMING EQUIPMENT AND SUPPLIES BY A PROPRIETARY SCHOOL OR AN
8 INSTITUTION OF HIGHER EDUCATION FOR EDUCATIONAL OR DEMONSTRATION
9 PURPOSES, IF THE PROPRIETARY SCHOOL OR INSTITUTION OF HIGHER EDU-
10 CATION SATISFIES ALL OF THE FOLLOWING CONDITIONS:

11 (A) MAINTAINS A CURRENT ITEMIZED LIST OF ITS DEALING SHOES,
12 GAMING TABLES, ROULETTE WHEELS, AND OTHER GAMBLING GAMES AS THAT
13 TERM IS DEFINED IN SECTION 2 OF THE MICHIGAN GAMING CONTROL AND
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2 CONTROL BOARD FOR APPROVAL BEFORE UTILIZING THEM IN TRAINING.

3 (D) PERMANENTLY IMPRINTS ITS NAME ON OR AFFIXES ITS NAME TO
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