

ARKANSAS SENATE
85th General Assembly - Regular Session, 2005
Amendment Form

Subtitle of Senate Bill No. 1002

"AN ACT TO AUTHORIZE THE USE OF AMUSEMENT MACHINES."

Amendment No. 1 to Senate Bill No. 1002.

Amend Senate Bill No. 1002 as originally introduced:

Delete everything after the ENACTING clause and substitute the following:

"SECTION 1. Arkansas Code § 5-66-104 is amended to read as follows:
5-66-104. Gaming devices - Prohibition.

(a) Every person who shall set up, keep, or exhibit any gaming table or gambling device, commonly called A. B. C., E. O., roulette, rouge et noir, or any faro bank, or any other gaming table or gambling device, or bank of the like or similar kind, or of any other description although not herein named, be the name or denomination what it may, adapted, devised, or designed for the purpose of playing any game of chance, or at which any money or property may be won or lost, shall be deemed guilty of a misdemeanor and on conviction shall be fined in any sum not less than one hundred dollars (\$100) and may be imprisoned any length of time not less than thirty (30) days nor more than one (1) year.

(b)(1) Conflicting provisions notwithstanding, this chapter is not applicable to amusement devices or bona fide coin-operated amusement machines as defined in § 26-57-402.

(2) Any amusement device that does not require some skill, as defined in § 26-57-402, is subject to this chapter even if prizes are limited as provided in § 26-57-402.

SECTION 2. Arkansas Code § 26-57-402 is amended to read as follows:
26-57-402. Definitions.

As used in this subchapter, ~~unless the context otherwise requires:~~

~~(1) "Amusement devices" means any coin operated machine, device, or apparatus which provides amusement, diversion, or entertainment and includes, but is not limited to, such games as radio rifles, miniature football, golf, baseball, hockey, bumper pool, tennis, shooting galleries, pool tables, bowling, shuffleboard, pinball tables, marble tables, music vending phonographs, jukeboxes, cranes, video games, claw machines, bowling machines, countertop machines, novelty arcade machines, other similar musical devices for entertainment, and other miniature games, whether or not such machines show a score, and which are not otherwise excluded in this subchapter~~



(1)(A)(i) “Amusement device” or “bona fide coin-operated amusement machine” means every machine:

(a) Used by the public to provide amusement or entertainment the operation of which requires the payment of or the insertion of a coin, bill, other money, token, ticket, or similar object if a successful result in operating the machine depends in whole or in part upon the exercise of some skill by the player, whether or not the machine awards a successful player; and

(b) That can be legally shipped in interstate commerce under federal law.

(ii) If an amusement device or bona fide coin-operated amusement machine awards a successful player, the award shall comply with the provisions of this chapter.

(iii) Amusement devices or bona fide coin-operated amusement machines include, but are not limited to:

(a) Pinball machines;

(b) Console machines;

(c) Video games;

(d) Crane machines;

(e) Claw machines;

(f) Pusher machines;

(g) Bowling machines;

(h) Novelty arcade games;

(i) Foosball or table soccer machines;

(j) Miniature racetrack, football, or golf

machines;

(k) Target or shooting gallery machines;

(l) Basketball machines;

(m) Shuffleboard games;

(n) Kiddie ride games;

(o) Skee-ball machines;

(p) Air hockey machines;

(q) Roll down machines;

(r) Trivia machines;

(s) Laser games;

(t) Simulator games;

(u) Virtual reality machines;

(v) Maze games;

(w) Racing games;

(x) Matchup games or lineup games that offer no reward for successful play unless the player, after the game begins, takes a specified action that actually affects the outcome of the game;

(y) Coin-operated pool tables or coin operated billiard tables;

(z) Any other similar amusement machine or device that can be legally operated in the State of Arkansas; and

(aa) Every machine or device of any kind or character used by the public to provide music the operation of which requires the payment of or the insertion of a coin, bill, other money, token, ticket, or similar object such as jukeboxes or other similar types of music machines; and

(B) “Amusement device” or “bona fide coin-operated

amusement machine” does not include:

(i) Any video game machine or device for the play of poker, blackjack, any other card game, or any variation of any of these games;

(ii) Vending machines that for payment of money dispense products or services;

(iii) Gas and electric meters;

(iv) Pay telephones;

(v) Pay toilets;

(vi) Cigarette vending machines;

(vii) Coin-operated:

(a) Scales;

(b) Gumball machines;

(c) Parking meters;

(d) Television sets that provide cable or

network programming;

(e) Massage beds; or

(f) Washing machines or dryers; or

(viii) Machines or devices that are not legally permitted to be operated in the State of Arkansas;

(2)(A) "Any money or property", "other articles", "other valuable things", or "any representative of anything that is esteemed of value", as used in the antigambling statutes, § 5-66-101 et seq., shall not be expanded to include:

(i) A free amusement feature such as the privilege of playing additional free games if a certain score is made on a pinball table or on any other amusement game described in this section; or

(ii) Toys, novelties, or representations of value redeemable for those items which are won by the player of a bona fide amusement game or device which rewards players exclusively with merchandise limited to toys, novelties, or representations of value redeemable for those items, which have a wholesale value of not more than ten (10) times the cost charged to play the game or device once or five dollars (\$5.00), whichever is less.

(B) In the event of the accumulation of redeemable representations of value by any player, no toy or novelty having a wholesale value of more than twelve dollars and fifty cents (\$12.50) may be given or awarded by any amusement machine operator or redeemed by any player. Said toys and novelties shall be displayed in a single area on each premises. Furthermore, each operator shall maintain records validating the wholesale value of said toys and novelties. Said toys and novelties shall be located solely on the premises where the game is played;

(3) "Coin-operated" means any machine, device, or apparatus which is operated by placing through a slot or any kind of opening or container any coin, slug, token, or other object or article necessary to be inserted before the machine operates or functions but does not include any machine or device which is classified by the United States Government as requiring a federal gaming stamp under applicable provisions of the Internal Revenue Code;

(4) "Novelty" means an article of trade whose value is chiefly decorative, comic, or the like, and whose appeal is often transitory;

(5) "Person" means and includes any individual, firm,

association, company, partnership, limited liability company, corporation, joint-stock company, club, agency, syndicate, the State of Arkansas, county, municipal corporation or other political subdivision of this state, receiver, trustee, fiduciary, or trade association; ~~and~~

(6) "Single play" or "one play" means the completion of a sequence of a game in which the player receives a score and from the score the player can secure free replays, merchandise, points, tokens, vouchers, tickets, or any money or property, other articles, other valuable things, or any representative of anything that is esteemed of value;

(7)(A) "Some skill" means a particular craft, coordinated effort, art, ability, strategy, or tactic employed by the player to affect in some way the outcome of a game played on an amusement device or bona fide coin-operated amusement machine.

(B) "Some skill" includes the presence of any of the following factors, alone or in any combination:

(i) A learned power of doing a thing competently;
(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; or

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

(C) "Some skill" does not include a bona fide coin-operated amusement machine if a player can take no action to affect the outcome of the game; and

~~(6)-(8)~~ "Toy" means a small article of little value but prized as a souvenir or for some other special reason, a trinket, a knickknack, or a bauble.

SECTION 3. Arkansas Code Title 26, Chapter 57, subchapter 4 is amended to add an additional section to read as follows:

26-57-422. Amusement devices or bona fide coin-operated amusement machines -- Rewards -- Penalties.

(a) A coin-operated game or device designed and manufactured for bona fide amusement purposes only that may by application of some skill entitle the player to earn replays of the game or device at no additional cost and to discharge the accumulated free replays only by reactivating the game or device for each accumulated free replay or by reactivating the game or device for a portion or all of the accumulated free plays in a single play shall be a bona fide coin-operated amusement machine if operated in accordance with this subchapter.

(b) A crane game machine or device shall be a bona fide coin-operated amusement machine or amusement device if the machine or device meets the following requirements:

(1) The machine or device:

(A) Is designed and manufactured only for bona fide

amusement purposes; and

(B) Involves at least some skill in its operation;

(2)(A) The machine or device rewards a winning player exclusively with free replays or merchandise contained within the machine itself and the merchandise is limited to noncash merchandise, prizes, toys, gift certificates, or novelties, each of which has a wholesale value not exceeding five dollars (\$5.00) and is not exchangeable or redeemable in any manner in this state or in any other state, jurisdiction, or foreign country for money or the equivalent.

(B) A player may be rewarded with both free replays and noncash merchandise, prizes, toys, or novelties for a single play of the game or device;

(3) The machine does not award for successful play any tobacco products or firearms;

(4) The player of the machine or device is able to control the timing of the use of the claw or grasping device to attempt to pick up or grasp a prize, toy, or novelty;

(5) The player of the machine or device is made aware of the total time that the machine or device allows during a game for the player to maneuver the claw or grasping device into a position to attempt to pick up or grasp a prize, toy, or novelty; and

(6) The claw or grasping device is not of a size, design, or shape that prohibits picking up or grasping a prize, toy, or novelty contained within the machine or device.

(c) A coin-operated game or device designed and manufactured only for bona fide amusement purposes that involves some skill in its operation shall be a bona fide coin-operated amusement machine or amusement device if it rewards the player exclusively with:

(1) Free replays;

(2) Merchandise that is:

(A) Limited to noncash merchandise, prizes, toys, gift certificates, or novelties, each of which has a wholesale value of not more than five dollars (\$5.00) received for a single play of the game or devices;

(B) Not exchangeable or redeemable in any manner in this state or in any other state, jurisdiction, or foreign country for money or the equivalent; and

(C) Not any tobacco product or any firearm;

(3) Points, tokens, vouchers, tickets, or other evidence of winnings that may be exchanged only for rewards set out in subdivisions (c)(1) and (2) of this section or a combination of rewards set out in subdivisions (c)(1) and (2) of this section; or

(4) Any combination of two (2) or more of the rewards set out in subdivisions (c)(1)-(3) of this section.

(d)(1) A player of amusement devices or bona fide coin-operated amusement machines may accumulate winnings for the successful play of the amusement devices or bona fide coin-operated amusement games through tokens, vouchers, points, or tickets.

(2) Points may be accrued on the machine or device.

(3) A player may carry over the points on one (1) play to subsequent plays.

(4) A player may redeem accumulated tokens, vouchers, or tickets for noncash merchandise, prizes, toys, gift certificates, or novelties so

long as the value of tokens, vouchers, or tickets received does not exceed five dollars (\$5.00) for a single play.

(e) It is unlawful for any person:

(1) To give to any other person money for free replays on amusement devices or bona fide coin-operated amusement machines;

(2) Owning or possessing an amusement device or bona fide coin-operated amusement machine or any person employed by or acting on behalf of any such person to give to any other person money for any noncash merchandise, prize, toy, gift certificate, or novelty received as a reward in playing an amusement device or bona fide coin-operated amusement machine;

(3) Owning or possessing an amusement device or bona fide coin-operated amusement machine or any person employed by or acting on behalf of any such person to give to any other person money as a reward for the successful play or winning on an amusement device or bona fide coin-operated amusement machine;

(4) To receive money:

(A) From another person for one (1) or more free replays on an amusement device or bona fide coin-operated amusement machine;

(B) From a person owning or possessing an amusement device or bona fide coin-operated amusement machine or any person employed by or acting on behalf of any such person for any noncash merchandise, prize, toy, gift certificate, or novelty received as a reward in playing an amusement device or bona fide coin-operated amusement machine;

(C) For a gift certificate received as a reward in playing any amusement device or bona fide coin-operated amusement machine or for the return of any merchandise purchased with such a gift certificate; or

(D) As a reward for the successful play or winning on any amusement device or bona fide coin-operated amusement machine from any person owning or possessing the bona fide coin-operated amusement machine or any person employed by or acting on behalf of any such person; or

(5) To provide to any other person as a reward for play on any amusement device or bona fide coin-operated amusement machine any gift certificate, token, voucher, ticket, or other evidence of winning that is redeemable or exchangeable for any thing of value at any other premises or for any person at any premises other than those on which the game or device is located to give any thing of value to any other person for any gift certificate, token, voucher, ticket, or other evidence of winning received by such other person from play on such game or device.

(f) Each gift certificate awarded for successful play on an amusement device or bona fide coin-operated amusement machine in accordance with this section shall have printed on it the following:

"ARKANSAS LAW PROHIBITS EXCHANGING OR REDEEMING THIS CERTIFICATE FOR MONEY OR THE EQUIVALENT, INCLUDING CHANGE IN MONEY AS PART OF ANY EXCHANGE FOR MERCHANDISE. CRIMINAL PENALTIES MAY INCLUDE A FINE, IMPRISONMENT, OR BOTH."

The Amendment was read the first time, rules suspended and read the second time and _____

By: Senator Broadway

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Secretary