



Legislation Text

File #: 991963, Version: 1

991963
SUBSTITUTE 1

THE CHAIR

A substitute ordinance relating to video gambling machines on premises that hold a Class "B" alcohol beverage license and to the authority of law enforcement officers to inspect amusement machines.

84-72-4 am

90-31.5 cr

- Analysis -

This ordinance prohibits the presence and operation of 5 or fewer video gambling machines on premises that hold a Class "B" alcohol beverage license. Violators are subject to a forfeiture ranging from up to \$500 (for one machine) to up to \$2,500 (for 5 machines). The ordinance specifies that a Class "B" license may not be revoked because a person permits 5 or fewer video gambling machines on the licensed premises. The ordinance specifies that amusement machines in videogame centers or amusement machine premises are subject to inspection by law enforcement officers.

The Mayor and Common Council of the City of Milwaukee do ordain as follows:

Part 1. Section 84-72-4 of the code is amended to read:

84-72. Business Restrictions.

4. **GAMBLING PROHIBITED.** It shall be unlawful for any videogame center licensee or amusement machine premises licensee, or any person in charge of a videogame center or amusement machine premises, to allow any person to gamble on the premises. >>Any amusement machine located in a videogame center or on an amusement machine premises shall be subject to inspection by law enforcement officers.<<

Part 2. Section 90-31.5 of the code is created to read:

90-31.5. Prohibited Gambling. 1. **DEFINITION.** In this section:

a. "Gambling machine" is a contrivance which for a consideration affords the player an opportunity to obtain something of value, the award of which is determined by chance, even though accompanied by some skill and whether or not the prize is automatically paid by the machine.

b. "Gambling machine" does not include any of the following:

b-1. A device used in conducting a bingo occasion or raffle event under ch. 563, Wis. Stats., used in conducting a lottery under ch. 565, Wis. Stats., or used in conducting a race under ch. 562, Wis. Stats.

b-2. Any amusement device if it rewards the player exclusively with one or more nonredeemable free replays for achieving certain scores and does not change the ratio or record the number of the free replays so awarded.

b-3. An amusement device involving skill, if it rewards the player exclusively with merchandise contained within the amusement device proper and limited to prizes, toys and novelties, each having a wholesale value which is not more than 7 times the cost charged to play the amusement device once or \$5, whichever is less. In this subdivision, "skill" means, within an opportunity provided for all players fairly to obtain prizes or rewards of merchandise, a player's precision, dexterity or ability to use his or her knowledge which enables him or her to obtain more frequent rewards or prizes than does another less precise, dexterous or knowledgeable player.

2. **PROHIBITED CONDUCT.** No person shall possess, operate, set up, collect the proceeds of, participate in the earnings or maintenance of or act as the custodian of anything of value bet or offered to be bet on not more than 5 video gambling machines located on premises for which any type of Class "B" license has been issued under the provisions of this chapter, or to suffer or permit not more than 5 video gambling machines to be set up for the purpose of gambling in a place under the person's control for which any type of Class "B" license has been issued.

3. **PENALTIES.** Any person who violates this section shall, upon conviction, be subject to a forfeiture as follows:

a. If the violation involves one video gambling machine, a forfeiture of not more than \$500.

b. If the violation involves 2 video gambling machines, a forfeiture of not more than \$1,000.

- c. If the violation involves 3 video gambling machines, a forfeiture of not more than \$1,500.
 - d. If the violation involves 4 video gambling machines, a forfeiture of not more than \$2,000.
 - e. If the violation involves 5 video gambling machines, a forfeiture of not more than \$2,500.
4. LICENSE REVOCATION PROHIBITED. No Class "B" license may be revoked because a person knowingly permits 5 or fewer video gambling machines to be set up, kept, managed, used or conducted upon a licensed premises.
APPROVED AS TO FORM

Legislative Reference Bureau

Date: _____

IT IS OUR OPINION THAT THE ORDINANCE
IS LEGAL AND ENFORCEABLE

Office of the City Attorney

Date: _____

City Attorney

00028-3

CW

5/3/00