**A** **BILL**

TO AMEND SECTION 12‑21‑2710, CODE OF LAWS OF SOUTH CAROLINA, 1976, RELATING TO TYPES OF GAMES AND COIN‑OPERATED MACHINES PROHIBITED BY LAW, SO AS TO PROVIDE THAT THE PROHIBITION DOES NOT EXTEND TO AN OTHERWISE PROHIBITED MACHINE OR GAME THAT SOLELY ALLOWS FOR THE CONDUCT OF A PROMOTIONAL SWEEPSTAKES PROMOTING A SPECIFIC PRODUCT THROUGH THE AWARDING OF A PRIZE THROUGH THE USE OF A GAME DISPLAY ON THE MACHINE WHICH INCLUDES A SWEEPSTAKES ENTRY PROCESS OR THE REVEAL OF A SWEEPSTAKES PRIZE; TO PROVIDE THAT THIS EXCEPTION TO THE PROHIBITION APPLIES ONLY IF NO CONSIDERATION IS REQUIRED FROM THE GAME PLAYER BY WAY OF PURCHASING THE PRODUCT PROMOTED BY THE SWEEPSTAKES OR OTHERWISE, TO PROVIDE THAT SUCH MACHINES MAY BE LICENSED IN LOCATIONS IN AREAS ZONED “LIGHT INDUSTRIAL” OR AN EQUIVALENT CATEGORY AND TO IMPOSE A FIVE HUNDRED DOLLAR ADDITIONAL BIENNIAL LICENSE TAX ON THESE MACHINES THE PROCEEDS OF WHICH MUST BE USED TO PROVIDE HOMELESS SHELTERS AND PROGRAMS FOR THE HOMELESS.

Be it enacted by the General Assembly of the State of South Carolina:

SECTION 1. Section 12‑21‑2710 of the 1976 Code is amended to read:

“Section 12‑21‑2710. (A) It is unlawful for any person to keep on his premises or operate or permit to be kept on his premises or operated within this State any vending or slot machine, or any video game machine with a free play feature operated by a slot in which is deposited a coin or thing of value, or other device operated by a slot in which is deposited a coin or thing of value for the play of poker, blackjack, keno, lotto, bingo, or craps, or any machine or device licensed pursuant to Section 12‑21‑2720 and used for gambling or any punch board, pull board, or other device pertaining to games of chance of whatever name or kind, including those machines, boards, or other devices that display different pictures, words, or symbols, at different plays or different numbers, whether in words or figures or, which deposit tokens or coins at regular intervals or in varying numbers to the player or in the machine, but the provisions of this section do not extend to coin‑operated nonpayout pin tables, in‑line pin games, or to automatic weighing, measuring, musical, and vending machines which are constructed as to give a certain uniform and fair return in value for each coin deposited and in which there is no element of chance.

(B(1) The prohibition imposed pursuant to this section does not extend to an otherwise prohibited machine or game if the machine and the game or games played thereon are solely used for a promotional sweepstakes for a specific product that awards a prize through the use of a game display on the machine which includes a sweepstakes entry process or the award of a prize, or both. The exception allowed by this paragraph to the prohibitions imposed by this section applies only if no consideration is required from the game player to enter the sweepstakes by way of purchasing the product promoted or otherwise, and the player retains the value of the machine time charged for the player’s participation regardless of the outcome of the sweepstakes.

(2)(a) A machine described in subsection (B) of this section may not be licensed or relicensed after the effective date of this subsection unless the machine is located in an area zoned ‘light industrial’ or an equivalent zoning category or, if located in an unzoned area, that area would meet the category of ‘light industrial’ if zoned. Machines described in this subsection licensed or relicensed after the effective date of this subsection must be licensed for a specific location which must be stated on the license. The State Law Enforcement Division, in consultation with the Department of Revenue shall enforce the location provisions of this subsection. An unlicensed machine or a machine not located at the designated location is deemed to be a machine prohibited pursuant to subsection (A) of this section.

(b) In addition to the biennial license tax imposed pursuant to Section 12‑21‑2720, a machine described in this subsection is subject to an additional biennial license tax of five hundred dollars. The revenue of this additional license tax must be credited to an account in the State Treasury separate and apart from the general fund of the State and all other funds and appropriated by the General Assembly in the annual general appropriations act exclusively for homeless shelters and programs for the homeless.

(c) ~~Any~~ A person violating the provisions of this section is guilty of a misdemeanor and, upon conviction, must be fined not more than five hundred dollars or imprisoned for a period of not more than one year, or both.”

SECTION 2. This act takes effect upon approval by the Governor.

‑‑‑‑XX‑‑‑‑