

## Session 113 - (1999-2000)

**H 3968 General Bill, By Jennings, Kennedy, Haskins, F. Smith, Simrill, Askins, Bailey, Battle, Bowers, Cato, Chellis, Davenport, J. Hines, M. Hines, Kirsh, Littlejohn, Lloyd, Maddox, Martin, Mason, McGee, W. McLeod, Miller, Moody-Lawrence, Rice, R. Smith, Taylor, Webb, Witherspoon, Young-Brickell, Barrett, Sandifer, Wilkins, Walker, Allen and Neilson**

**Summary:** Video game machines, coin-operated devices, regulation of; Gambling, Taxation, Political Subdivisions

A BILL TO AMEND TITLE 12, CODE OF LAWS OF SOUTH CAROLINA, 1976, RELATING TO TAXATION, BY ADDING CHAPTER 22 SO AS TO PROVIDE FOR THE REGULATION, LICENSING, TAXATION, AND CIVIL AND CRIMINAL ENFORCEMENT OF VIDEO GAME MACHINES WITH A FREE PLAY FEATURE, ARCADE GAME MACHINES, AND OTHER DEVICES INCLUDING PROVISIONS TO VEST PRIMARY ENFORCEMENT AND REGULATORY POWERS IN THE DEPARTMENT OF REVENUE AND THE SOUTH CAROLINA LAW ENFORCEMENT DIVISION, TO PROVIDE FOR LICENSE FEES ON MACHINE MANUFACTURERS, DISTRIBUTORS, TECHNICIANS, OWNERS, AND OPERATORS, TO PROVIDE LICENSE FEES FOR MACHINES AND LICENSED ESTABLISHMENTS, TO PROVIDE FOR AN IMPOSITION OF TAXES ON NET MACHINE INCOME AND ON PLAYER Winnings, TO PROVIDE FOR THE USE OF REVENUES GENERATED BY THIS CHAPTER, TO PROVIDE FOR LOCATION RESTRICTIONS AND CASINO PROHIBITIONS AND THE PHASING OUT OF EXISTING CASINOS, TO PROVIDE FOR PUBLIC NOTICE AND OTHER NOTIFICATION PROVISIONS TO THE GENERAL PUBLIC, TO PROVIDE FOR THE MANNER IN WHICH AND REQUIREMENTS UNDER WHICH THESE MACHINES MAY BE PLAYED INCLUDING PROHIBITING THE OFFERING OF INDUCEMENTS, THE REGULATION OF ADVERTISING, AND CERTAIN LIMITATIONS ON BETS AND Winnings, TO PROVIDE FOR TECHNICAL STANDARDS AND SPECIFICATIONS FOR THESE MACHINES AND THEIR EQUIPMENT, TO PROVIDE FOR BACKGROUND INVESTIGATIONS OF PERSONS ASSOCIATED WITH THE OPERATION OF THESE MACHINES AND THE ACTIONS THE DEPARTMENT MAY TAKE AS A RESULT OF THE BACKGROUND INVESTIGATIONS, TO PROVIDE PROCEDURES FOR LICENSE REVOCATIONS AND PENALTIES, TO PERMIT CIVIL ACTIONS UNDER SPECIFIED CONDITIONS FOR CERTAIN VIOLATIONS, TO PROVIDE CRIMINAL PENALTIES FOR CERTAIN VIOLATIONS, TO PROVIDE FOR THE MANNER IN WHICH COUNTIES AND MUNICIPALITIES MAY ALSO LICENSE AND TAX THESE MACHINES, AND TO PROVIDE FOR SEPARATE REQUIREMENTS FOR THE REGULATION, LICENSING, TAXATION, AND ENFORCEMENT OF ARCADE GAME MACHINES AND OTHER AMUSEMENT DEVICES INCLUDING A PROVISION THAT PROHIBITS CASH Winnings; TO AMEND SECTION 12-60-3370, RELATING TO BOND REQUIRED PRIOR TO A TAXPAYER APPEAL TO CIRCUIT COURT, SO AS TO REQUIRE A BOND OF A PERSON APPEALING CERTAIN VIDEO GAME MACHINE VIOLATIONS TO THE CIRCUIT COURT AND TO PROVIDE CIVIL MONETARY SANCTIONS IF THE APPEAL IS UNSUCCESSFUL; TO AMEND SECTION 61-4-580, RELATING TO PROHIBITED ACTS REGARDING BEER AND WINE, SO AS TO PROVIDE THAT ACTIVITIES AUTHORIZED BY CHAPTER 22 OF TITLE 12 ABOVE ON THE PREMISES OF ESTABLISHMENTS LICENSED TO SELL BEER AND WINE ARE NOT A PROHIBITED ACT IN ESTABLISHMENTS PERMITTED FOR OFF PREMISES CONSUMPTION AND TO REQUIRE A SEPARATE ROOM FOR MACHINES IN PREMISES WITH ON PREMISES CONSUMPTION PERMITS AND LICENSES AND TO PROHIBIT THE CONSUMPTION OF ALCOHOLIC LIQUORS, BEER, AND WINE IN THIS SEPARATE ROOM AND TO PROVIDE FOR REVOCATION OF LICENSES AND PERMITS FOR VIOLATIONS; TO ADD SECTIONS 16-19-65, 16-19-66, AND 16-19-67 SO AS TO MAKE IT UNLAWFUL FOR ANY PERSON TO KEEP CERTAIN TYPES OF GAME OR SLOT MACHINES ON HIS PREMISES, TO MAKE IT UNLAWFUL FOR ANY PERSON TO OPERATE SUCH MACHINES, TO MAKE IT UNLAWFUL FOR ANY PERSON TO CHEAT OR DEFRAUD THE OWNER OF A LAWFUL MACHINE OF ITS CONTENTS, TO PROVIDE PENALTIES FOR VIOLATIONS AND AUTHORIZE THE SEIZURE OF UNLAWFUL MACHINES, TO PROVIDE STANDARDS FOR VIDEO GAME MACHINES, MODEMS, LOCATION CONTROLLERS, SOFTWARE, HARDWARE, THE CENTRAL COMPUTER MONITORING SYSTEM, AND ASSOCIATED EQUIPMENT UNTIL THE DEPARTMENT OF REVENUE ADOPTS SUCH STANDARDS PURSUANT TO CHAPTER 22 OF TITLE 12 ABOVE; AND TO REPEAL ARTICLE 19, CHAPTER 21 OF TITLE 12 RELATING TO COIN-OPERATING MACHINES, DEVICES, AND OTHER AMUSEMENTS AND ARTICLE 20, CHAPTER 21 OF TITLE 12 RELATING TO THE VIDEO GAME MACHINES ACT.

04/21/99 House Introduced and read first time

04/21/99 House Referred to Committee on Ways and Means