

GAMBLING: EXEMPT BOWLING CARD GAMES

House Bill 4799 (Substitute H-1) First Analysis (6-17-97)

**Sponsor: Rep. David Jaye
Committee: Regulatory Affairs**

THE APPARENT PROBLEM:

Under administrative rules promulgated by the Liquor Control Commission (LCC), liquor licensees are prohibited from allowing unlawful gambling or gambling devices on licensed premises (R 436.1013, Michigan Administrative Code). Licensees in violation of Liquor Control Act provisions or rules can face fines or license suspension or revocation. Though gambling is not defined in statute, the LCC, as well as Michigan case law, has historically interpreted any activity involving consideration (something paid to participate), chance (a random chance associated with winning), and a prize (something of value) as gambling. Gambling of any kind is prohibited unless exempted by law. Public Act 539 of 1996 legalized certain bowling games conducted in a bowling center, such as mystery game, strike ball, and red pin, if the fee to participate was no more than \$5.00 per person per game and the total prize payout per league per game was \$1,000 or less. (For more information, see the House Legislative Analysis Section's analysis of House Bill 6114 dated 1-6-97.)

Another popular "bowling game" played between members of a team that was not specifically addressed in Public Act 539 is a low stakes card game in which each member antes up a small amount, typically 25 cents to \$1 per game. When a member bowls a strike and/or spare, the member draws a card. At the end of the game, the team member with the best poker hand wins the pot. Reportedly, this traditional card game between team members has been played in bowling leagues for over 50 years. Legislation has been proposed to exempt card games that are played in conjunction with a bowling game from the code's prohibition on gambling.

THE CONTENT OF THE BILL:

Currently, the Michigan Penal Code's prohibition against gambling does not apply to a bowling game conducted in a bowling center if the total amount of the participation fee per person per game is \$5 or less, and the total prize payout per league per game does not exceed \$1,000. House Bill 4799 would amend the code to also exempt a bowling card game from the code's

prohibition on gambling. "Bowling card game" would be defined as "a card game held in conjunction with a bowling game, the results of which depend on the outcome of the bowling game" and would be subject to the same limitation on participation fees and prize payouts as bowling games.

MCL 750.310a

FISCAL IMPLICATIONS:

According to the House Fiscal Agency, the bill would not have a fiscal impact on the state because it would not impose any new requirements on state agencies. (6-12-97)

ARGUMENTS:

For:

Bowlers have used low-stakes card games to add interest to league play for over 50 years. The pots tend to be very low -- a pot of \$2.25 was confiscated from a bowling center in early 1995 and the proprietor was cited by the Liquor Control Commission for allowing illegal gambling on the premises. Though Public Act 539 of 1996 went a long way to legalize certain bowling games that had been a mainstay of league bowling for decades, the act did not specifically address these low-stakes card games between team members. The bill would decriminalize the practice, and so would protect bowling center owners from liquor license sanctions if team members were conducting such a game. The bill would not result in increased gambling in the state, as the bill makes it clear that the card games must be played in conjunction with a game of bowling and dependent on the outcome of that bowling game. Primarily, the bill would legalize a form of entertainment popular among the state's bowlers.

Against:

The card games played among bowlers whereby a small ante is made and a card drawn each time a strike or spare is bowled does usually result in pots ranging from

a few dollars up to about \$10. However, where the card game typically is conducted between team members or the two teams bowling on the same alley, the wording in the bill could be construed to allow a league to devise a similar card game on a larger scale as long as the prize cap was no more than \$1,000 per game and the participation fee was \$5 or less. This would go beyond the expressed intent of the bill, which was simply to allow the continuation of the informal low-stakes card games between team members.

POSITIONS:

A representative from the Bowling Centers Association of Michigan testified in support of the bill. (6-12-97)

Analyst: S. Stutzky

■ This analysis was prepared by nonpartisan House staff for use by House members in their deliberations, and does not constitute an official statement of legislative intent.