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Chairman Phil Mendelson
at the request of the Mayor

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A BILL

IN THE COUNCIL OF THE DISTRICT OF COLUMBIA

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Chairman Phil Mendelson, at the request of the Mayor, introduced the following bill,
which was referred to the Committee on _____.

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To amend, on an emergency basis, Title 25 of the District of Columbia Official Code to define games of skill and vouchers; to create a games of skill endorsement; to limit games of skill to manufacturers who are holders of on-site consumption permits, as well as restaurants, nightclubs, taverns, hotels, and multipurpose facilities; to prohibit games of skill on outdoor public spaces; to establish the requirements for applying for a games of skill endorsement; to require the Board to seek guidance from the Office of the Attorney General concerning a proposed game of skill before approving a request for a games of skill endorsement; to create operating requirements for licensees, including the installation of security cameras; to prohibit persons who are under the age of 18 from playing games of skill; to require licensees to post a warning sign in the area where the games of skill terminals will be located; to set standards for games of skill advertisements and signage on the licensed premises; and to make it unlawful for one to install or operate games of skill terminals or electronic devices at a location not licensed under Title 25 of the D.C. Official Code.

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BE IT ENACTED BY THE COUNCIL OF THE DISTRICT OF COLUMBIA, That
this act may be cited as the “Games of Skill Consumer Protection Emergency
Amendment Act of 2019”.

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Sec. 2. Title 25 of the District of Columbia Official Code is amended as follows:

(a) Chapter 1 is amended as follows:

(1) Section 25-101 is amended by adding new paragraphs (22B) and (54) to

1 read as follows:

2 “(22B) “Games of skill” means a mechanical or electronic game that rewards
3 the player or players, if at all, cash, gift cards, or vouchers that can be redeemed for cash.
4 The gaming device shall not be considered a game of skill if one or more of the following
5 apply:

6 “(1) The ability of any player to succeed at the game is impacted by the
7 number or ratio of prior wins to prior losses of persons playing the game;

8 “(2) The outcome of the game can be controlled by a source other than an
9 individual playing the game;

10 “(3) The success of any player is or may be determined by a chance event
11 which cannot be altered by player actions;

12 “(4) The ability of any player to succeed at the game is impacted by game
13 features not visible or known to a reasonable player; or

14 “(5) The ability of a player to succeed at the game is impacted by the
15 exercise of skill that no reasonable player could exercise.”

16 “(54) “Voucher” means a ticket issued by a video skill game that allows a
17 player to redeem for cash winnings.”

18 (2) Section 25-113a is amended by adding a new subsection (e) to read as
19 follows:

20 “(e)(1) The licensee under a manufacturer’s license class A or B
21 holding an on-site sales and consumption permit, or an on-premises retailer’s license,
22 class C/R, D/R, C/H, D/H, C/T, D/T, C/N, D/N, C/X, or DX, shall obtain a games of skill
23 endorsement from the Board in order to offer games of skill on the licensed premises.

1 “(e)(2) No games of skill terminals or electronic devices shall be
2 placed on outdoor public or private space. The Board, in its discretion, may allow for the
3 placement of games of skills terminals or electronic devices on outdoor private space if,
4 in the Board’s determination, the activity is:

5 “(i) Not visible from public streets and sidewalks;

6 “(ii) Adequately secured against unauthorized entrance; and

7 “(iii) Only accessible by patrons from within the establishment.

8 “(e)(3) Subsection (e)(2) shall not apply to licensees operating a
9 passenger-carrying marine vessel in accordance with D.C. Official Code § 25-113(h).”.

10 (b)Chapter 4 of the District of Columbia Official Code is amended as follows:

11 (1) Section 25-401 is amended by adding a new subsection (e) to read as
12 follows:

13 “(e)(1) An applicant for a games of skill endorsement shall submit the
14 following to the Board with its application:

15 “(a) A detailed analysis of the game, including diagrams, an overview
16 of the game and its methodology, method of play, and the minimum and maximum of
17 prize winnings;

18 “(b) A diagram of where the games of skill terminals and electronic
19 devices will be placed on the licensed premises; and

20 “(c) The name of the manufacturer and distributor of the games of skill
21 terminals or electronic devices and documentation reflecting that the distributor is
22 registered to do business and pay taxes in the District of Columbia.

23 “(2) The Board shall seek guidance from the Office of the Attorney

1 General concerning the legality of a proposed game of skill before approving an
2 applicant’s request for a games of skill endorsement.”.

3 (c) Chapter 5 of Title 25 of the District of Columbia Official Code is amended as
4 follows:

5 (1) Section designation 25-508 is amended to read as follows:

6 “25-508. Minimum fees for endorsements, permits, and manager’s
7 license.”

8 (2) Section 25-508 is amended as follows:

9 (A) Strike the title “Minimum fees for permits and manager’s license” and
10 insert the phrase “Minimum fees for endorsements, permits, and manager’s license” in its
11 place.

12 (B) The following additional fee is added to read as follows:

13 “Games of Skill \$200”.

14 (d) Chapter 7 of Title 25 of the District of Columbia Official Code is amended as
15 follows:

16 (1) The table of contents is amended as follows:

17 (A) A new section designation 25-714 is added to read as follows:

18 “25-714. Warning signs for games of skill terminals and electronic
19 devices.”.

20 (B) A new section designation 25-786 is added to read as follows:

21 “25-786. Games of skill operating requirements.”.

22 (2) A new section 25-714 is added to read as follows:

23 “§ 25-714. Warning sign for games of skill terminals and electronic

1 devices.

2 “All licensees possessing a games of skill endorsement shall post a notice,
3 maintained in good repair and in a place clearly visible to the point of entry to the games
4 of skill terminals and electronic devices, that contains:

5 “(1) The minimum age required to play a game of skill; and

6 “(2) The contact information for the District of Columbia’s gambling
7 hotline.”.

8 (3) Section 25-763 is amended by adding a new subsection (g) to read as
9 follows:

10 “(g) Exterior signs advertising games of skill shall be prohibited on the
11 licensed establishment.”.

12 (4) Section 25-765 is amended by adding a new subsection (c) to read as
13 follows:

14 “(c) Advertisements related to games of skill shall not be placed on the
15 interior or exterior of any window or on the exterior of any door that is used to enter or
16 exit the licensed establishment.”.

17 (5) A new section 25-786 is added to read as follows:

18 “§ 25-786. Games of Skill Operating Requirements

19 “(a) A licensee with a games of skill endorsement shall:

20 “(1) Not allow or permit a person under 18 years of age to play a game of
21 skill and shall be responsible for designating an employee to monitor where the games of
22 skill are played;

23 “(2) Verify that the patron playing the games of skill is lawfully permitted

1 to do so by checking his or her valid government-issued identification document upon
2 entry into either the licensed establishment or the designated areas where the games of
3 skill are located and when he or she seeks to cash out their winnings, if any;

4 “(3) Not allow or permit any person that appears intoxicated or under the
5 influence of any narcotic or other substance to operate or play a game of skill;

6 “(4) Not allow or permit the manufacturer or distributor of the games of
7 skill terminal or electronic device to share in the profits of alcohol sales made by the
8 licensee, unless approved by the Board as an owner of the license;

9 “(5) Not allow or permit the placement of games of skill terminals or
10 electronic devices on outdoor public or outdoor private space that has not been approved
11 by the Board;

12 “(6) Not allow or permit the placement of games of skill terminals or
13 electronic devices outside of the designated areas contained on the applicant’s diagram
14 provided as part of the license application or outside the areas approved by the Board;

15 “(7) Not have more than 3 games of skill terminals or electronic devices
16 on the licensed premises; and

17 “(8) Install security cameras that are operational and record for 30 days in
18 the areas designated for games of skill, as well as near the cash register or terminal where
19 the licensee processes the cash winnings and where money collected from games of skill
20 are stored.

21 “(b) A licensee shall not be in violation of subsection (a)(2) if the patron
22 that is not checked for identification by the licensee is 18 years of age or older.”.

23 (e)Chapter 8 of Title 25 of the District of Columbia Official Code is amended as

1 follows:

2 (1) Section 25-801 is amended by adding a new subsection (h) to read as

3 follows:

4 “(h) ABRA investigators may request and check the identification of any
5 patron who has played, is playing, or is attempting to play a game of skill. ABRA
6 investigators are also authorized to seize fake identifications used by patrons under 18
7 years of age or records related to games of skill.

8 Sec. 3. Section 865 of An Act To establish a code of law for the District of
9 Columbia, approved March 3, 1901 (31 Stat. 1189; D.C. Official Code § 22-1704) is
10 amended as follows:

11 (a) The existing language is moved to a newly created subsection (1).

12 (b) A new subsection (2) is added to read as follows:

13 “(2) It shall be unlawful to install or operate games of skill terminals or
14 electronic devices in the District of Columbia except as permitted by § 25-113a(e).
15 Whoever shall install or operate games of skill terminals or electronic devices at a
16 location not licensed under Title 25 of the D.C. Official Code shall be punished by
17 imprisonment for a term of 180 days, fined not more than the amount set forth in § 22-
18 3571.01, or both.”.

19 Sec. 4. Fiscal impact.

20 The Council adopts the fiscal impact statement in the committee report as the
21 fiscal impact statement required by section 602(c)(3) of the District of Columbia Home
22 Rule Act, approved December 24, 1973 (87 Stat. 813; D.C. Official Code § 1-
23 206.02(c)(3)).

1 Sec. 5. Effective Date.

2 This act shall take effect following approval by the Mayor (or in the event of veto
3 by the Mayor, action by the Council to override the veto), and shall remain in effect for
4 no longer than 90 days, as provided for emergency acts of the Council of the District of
5 Columbia in section 412(a) of the District of Columbia Home Rule Act, approved
6 December 24, 1973 (87 Stat. 788; D.C. Official Code § 1-204.12(a)).