

AN ACT

IN THE COUNCIL OF THE DISTRICT OF COLUMBIA

To amend, on an emergency basis, Title 25 of the District of Columbia Official Code to authorize games of skill, require a game of skill endorsement, limit games of skill to manufacturers who are holders of on-site consumption permits and restaurants, nightclubs, taverns, hotels, and multipurpose facilities, prohibit a game of skill or an electronic gaming device on an outdoor public or private space, establish the requirements for applying for a game of skill endorsement, require the Alcoholic Beverage Control Board to seek guidance from the Office of the Attorney General for the District of Columbia concerning a proposed game of skill before approving a request for a game of skill endorsement, create operating requirements for licensees, require the installation of security cameras, prohibit persons who are under 18 years of age from playing a game of skill, require licensees to post a warning sign in the area where game of skill terminals are located, and set standards for game of skill advertisements and signage on licensed premises; and to amend An Act To establish a code of law for the District of Columbia to make it unlawful to install or operate a game of skill terminal or electronic gaming device at a location not licensed under Title 25 of the District of Columbia Official Code.

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 2020”.

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 as follows:

(A) A new paragraph (22B) is added to read as follows:

“(22B) “Game of skill” means a mechanical or electronic game that rewards the winning player or players with cash, a gift card, or a voucher that can be redeemed for cash. The mechanical or electronic gaming device shall not be considered a game of skill if one or more of the following apply:

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

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

“(C) The success of any player is or may be determined by a chance event that cannot be altered by player actions;

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

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

(B) A new paragraph (53A) is added to read as follows:

“(53A) “Voucher” means a ticket issued by a video game of skill that allows a player to redeem it for cash winnings.”.

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

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

“(2)(A) No game of skill terminals or electronic gaming devices shall be placed on outdoor public or private space; except, that the Board, in its discretion, may allow for the placement of a game of skills terminal or an electronic gaming device on outdoor public or private space if, in the Board’s determination, the activity is:

“(i) Not visible from a public street and sidewalk;

“(ii) Adequately secured against unauthorized entrance; and

“(iii) Accessible only by patrons from within the establishment.

“(B) Subparagraph (A) of this paragraph shall not apply to licensees operating a passenger-carrying marine vessel in accordance with D.C. Official Code § 25-113(h).”.

(b) Section 25-401 is amended by adding new subsections (e) and (f) to read as follows:

“(e) An applicant for a game of skill endorsement shall submit to the Board with its application:

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

“(2) A diagram of where the game of skill terminals and electronic gaming devices will be placed on the licensed premises; and

“(3) The name of the manufacturer and distributor of the game of skill terminals or electronic gaming devices and documentation reflecting that the distributor is registered to do business and pays taxes in the District of Columbia.

“(f) The Board shall seek guidance from the Office of the Attorney General concerning the legality of a proposed game of skill before approving an applicant’s request for a game of skill endorsement.”.

(c) Section 25-508 is amended as follows:

(1) The heading is amended to read as follows:

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

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(2) The text is amended by adding the following phrase at the end:

“Games of Skill endorsement \$200”.

(d) Chapter 7 is amended as follows:

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

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

“25-714. Warning signs for game of skill terminals and electronic gaming devices.”.

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

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

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

“§ 25-714. Warning sign for game of skill terminals and electronic gaming devices.

“All licensees possessing a game of skill endorsement shall post a notice, which shall be maintained in good repair, in a place clearly visible at the point of entry to the game of skill terminals and electronic gaming devices that states the minimum age required to play a game of skill and the contact information for the District of Columbia’s gambling hotline.”.

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

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

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

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

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

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

“A licensee with a game of skill endorsement shall:

“(1) Not allow or permit a person under 18 years of age to play a game of skill and shall designate an employee to regularly monitor the designated area where games of skill are played to ensure that no person under 18 years of age is playing or attempting to play a game of skill;

“(2) Verify that the person playing a game of skill is lawfully permitted to do so by checking the person’s government-issued identification document upon entry into either the licensed establishment or the designated area where the games of skill are located and where the person seeks to cash out his or her winnings, if any; except, that the failure of a licensee to verify a person’s identification shall not be a violation of this paragraph if the person whose identification was not checked is 18 years of age or older;

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

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

“(5) Not allow or permit the placement of a game of skill terminal or electronic gaming device on an outdoor public or private space that has not been approved by the Board;

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“(6) Not allow or permit the placement of a game of skill terminal or electronic gaming device outside of the designated areas contained on the applicant’s diagram provided as part of the license application or outside the areas approved by the Board;

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

“(8) Install security cameras that are operational and record for 30 days in the areas designated for games of skill, near the cash register or terminal where cash winnings are processed, and where the licensee’s money is stored.

(e) Section 25-801 is amended by adding a new subsection (h) to read as follows:

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

Sec. 3. Section 865 of An Act To establish a code of law for the District of Columbia, approved March 3, 1901 (31 Stat. 1331; D.C. Official Code § 22-1704), is amended as follows:

(a) The existing text is designated as subsection (a).

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

“(b) It shall be unlawful to install or operate a game of skill terminal or an electronic gaming device in the District of Columbia except as permitted by D.C. Official Code § 25-113a(e). Whoever shall install or operate a game of skill terminal or an electronic gaming device at a location not licensed under Title 25 of the D.C. Official Code shall be punished by imprisonment for a term of 180 days or fined not more than the amount set forth in D.C. Official Code § 22-3571.01, or both.”.

Sec. 4. Fiscal impact statement.

The Council adopts the fiscal impact statement in the committee report as the fiscal impact statement required by section 4a of the General Legislative Procedures Act of 1975, approved October 16, 2006 (120 Stat. 2038; D.C. Official Code § 1-301.47a).

Sec. 5. Effective date.

This act shall take effect following approval by the Mayor (or in the event of veto by the Mayor, action by the Council to override the veto), and shall remain in effect for no longer than 90 days, as provided for emergency acts of the Council of the District of Columbia in section

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412(a) of the District of Columbia Home Rule Act, approved December 24, 1973 (87 Stat. 788;
D.C. Official Code § 1-204.12(a)).

Chairman
Council of the District of Columbia

Mayor
District of Columbia