

# ADOPTED



NORTH CAROLINA GENERAL ASSEMBLY  
AMENDMENT  
House Bill 577

AMENDMENT NO. A1  
(to be filled in by  
Principal Clerk)

H577-AST-75 [v.3]

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Amends Title [NO]  
Second Edition

Date \_\_\_\_\_, 2017

Senator Wells

1 moves to amend the bill on page 2, lines 3-17, by rewriting those to read:

2  
3 "SECTION 3.(a) G.S. 14-306.4 reads as rewritten:

4 "**§ 14-306.4. Electronic machines and devices for sweepstakes prohibited.**

5 (a) Definitions. – For the purposes of this section, the following definitions apply:

6 (1) "Electronic machine or device" means a mechanically, electrically or  
7 electronically operated machine or device, that is owned, leased or otherwise  
8 possessed by a sweepstakes sponsor or promoter, or any of the sweepstakes  
9 sponsor's or promoter's partners, affiliates, subsidiaries or contractors, that is  
10 intended to be used by a sweepstakes entrant, that uses energy, and that is  
11 capable of displaying information on a screen or other mechanism. This  
12 section is applicable to an electronic machine or device whether or not:

- 13 a. It is server-based.
- 14 b. It uses a simulated game terminal as a representation of the prizes  
15 associated with the results of the sweepstakes entries.
- 16 c. It utilizes software such that the simulated game influences or  
17 determines the winning or value of the prize.
- 18 d. It selects prizes from a predetermined finite pool of entries.
- 19 e. It utilizes a mechanism that reveals the content of a predetermined  
20 sweepstakes entry.
- 21 f. It predetermines the prize results and stores those results for delivery  
22 at the time the sweepstakes entry results are revealed.
- 23 g. It utilizes software to create a game result.
- 24 h. It requires deposit of any money, coin, or token, or the use of any  
25 credit card, debit card, prepaid card, or any other method of payment  
26 to activate the electronic machine or device.
- 27 i. It requires direct payment into the electronic machine or device, or  
28 remote activation of the electronic machine or device.
- 29 j. It requires purchase of a related product.
- 30 k. The related product, if any, has legitimate value.
- 31 l. It reveals the prize incrementally, even though it may not influence if  
32 a prize is awarded or the value of any prize awarded.



\* H 5 7 7 - A S T - 7 5 - V - 3 \*

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- 1 m. It determines and associates the prize with an entry or entries at the  
2 time the sweepstakes is entered.
- 3 n. It is a slot machine or other form of electrical, mechanical, or  
4 computer game.
- 5 (2) "Enter" or "entry" means the act or process by which a person becomes  
6 eligible to receive any prize offered in a sweepstakes.
- 7 (3) "Entertaining display" means visual information, capable of being seen by a  
8 sweepstakes entrant, that takes the form of actual game play, or simulated  
9 game play, such as, by way of illustration and not exclusion:
- 10 a. A video poker game or any other kind of video playing card game.  
11 b. A video bingo game.  
12 c. A video craps game.  
13 d. A video keno game.  
14 e. A video lotto game.  
15 f. Eight liner.  
16 g. Pot-of-gold.  
17 h. A video game based on or involving the random or chance matching  
18 of different pictures, words, numbers, or symbols not dependent on  
19 the skill or dexterity of the player.
- 20 i. Any other video game not dependent on skill or dexterity that is  
21 played while revealing a prize as the result of an entry into a  
22 sweepstakes.
- 23 (4) "Prize" means any gift, award, gratuity, good, service, credit, or anything  
24 else of value, which may be transferred to a person, whether possession of  
25 the prize is actually transferred, or placed on an account or other record as  
26 evidence of the intent to transfer the prize.
- 27 (5) "Sweepstakes" means any game, advertising scheme or plan, or other  
28 promotion, which, with or without payment of any consideration, a person  
29 may enter to win or become eligible to receive any prize, the determination  
30 of which is based upon chance.
- 31 (b) Notwithstanding any other provision of this Part, it shall be unlawful for any person  
32 to operate, or place into operation, an electronic machine or device to do either of the  
33 following:
- 34 (1) Conduct a sweepstakes through the use of an entertaining display, including  
35 the entry process or the reveal of a prize.
- 36 (2) Promote a sweepstakes that is conducted through the use of an entertaining  
37 display, including the entry process or the reveal of a prize.
- 38 (c) It is the intent of this section to prohibit any mechanism that seeks to avoid  
39 application of this section through the use of any subterfuge or pretense whatsoever.
- 40 (d) Nothing in this section shall be construed to make illegal any activity which is  
41 lawfully conducted on Indian lands pursuant to, and in accordance with, an approved  
42 Tribal-State Gaming Compact applicable to that Tribe as provided in G.S. 147-12(14) and  
43 G.S. 71A-8.

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- 1 (e) Each violation of this section shall be considered a separate offense.  
2 (f) Any person who violates this section is guilty of a Class 1 misdemeanor for the first  
3 offense and is guilty of a Class H felony for a second offense and a Class G felony for a third or  
4 subsequent offense.  
5 (g) In addition to any other penalties, if any person shall operate or place into operation  
6 more than four electronic machines or devices, that person shall forfeit the electronic machines  
7 or devices and shall also be guilty of a Class G felony."  
8 **SECTION 3.(b)** This act becomes effective October 1, 2017, and applies to  
9 offenses committed on or after that date."

SIGNED \_\_\_\_\_  
Amendment Sponsor

SIGNED \_\_\_\_\_  
Committee Chair if Senate Committee Amendment

ADOPTED \_\_\_\_\_ FAILED \_\_\_\_\_ TABLED \_\_\_\_\_

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and vote information, is available in the  
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