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FW: Answer Man: Are video gaming machines legal?

1 message

Mark Jefferson <mark.jefferson@primerogames.com>
To: Dawn Garber <dawn.garber@primerogames.com>

Tue, Jul 14, 2015 at 10:58 AM

From: Mark Nizdil [mailto:mnizdil@me.com]
Sent: Tuesday, May 12, 2015 1:36 PM
To: Mark Jefferson; Mike Macke
Subject: Answer Man: Are video gaming machines legal?

<http://www.citizen-times.com/story/news/local/2015/01/08/answer-man-video-gaming-machines-legal/21463717/>

Answer Man: Are video gaming machines legal?

Today's batch of burning questions, my smart-aleck answers and the real deal:

Question: There is currently no certified use of video poker machines in the state. However, some businesses that are using the machines in the mountains are being told to shut them down, while others are being allowed to keep using them. Several stores had theirs closed at least four weeks now in Black Mountain while businesses in Swannanoa are still going strong. Seems some selective enforcement by local ALE officers. What's up with that?

My answer: For \$1,000 in quarters, I will provide you with an answer that has a one in seven chance of being correct.

Real answer: This issue gets much more complicated than it seems, in part because what seems like inconsistent enforcement is actually just officers following recent court decisions.

Asheville attorney George Hyler, who has represented a company in several cases that have gone to court, offered a good overview, first noting that "the status of these machines is the subject of ongoing disputes and litigation across North Carolina.

"There are a number of video games and machines that have been declared illegal (Video poker, keno, Pot-of-Gold machines, for example)," Hyler said via email. "Some other game operators have tried to use a 'pre-reveal' system, but that has recently been declared illegal."

That system uses software that allows game players to find out if they've won before they play the game.

Hyler represents Gift Surplus LLC, "an online sales company which uses stand-alone kiosks as promotional devices to sell their online products." The machines are limited in number and operate a certified sweepstakes, and those factors have been key in their legal success.

"These kiosks have survived legal challenge in over a dozen district court criminal cases, and our office obtained an injunction in a Superior Court ruling, which was upheld by the Court of Appeals," Hyler said, adding that these victories mean the Gift Surplus kiosks and sweepstakes "are completely legal."

But this had an unintended consequence.

"The fact that we have been successful has led others to try to use illegal games and other systems, which do not comply with the applicable law," Hyler said. "Most local law enforcement officers are struggling with the applicability of the new law. This I think has led to the appearance of inconsistent enforcement."

Buncombe County Sheriff's Office Spokeswoman Natalie Bailey said the department has essentially adhered to a policy of enforcement against the games that do not operate the Gifts Surplus system. They also held a meeting this week with new District Attorney Todd Williams to discuss the matter.

"The sheriff is meeting with the new district attorney to see what his philosophy is about it," Bailey said, adding that the Sheriff's Office enforcement generally has been complaint driven. "It's been awhile since we've had anyone submit (a complaint) on gaming machines."

Video poker machines have a notorious history in the state and particularly in Buncombe County. Former Sheriff Bobby Medford is serving a 15-year sentence in federal prison after being convicted of accepting bribes from gambling machine operators.

This is the opinion of John Boyle. To submit a question, contact him at 232-5847 or jboyle@citizen-times.com

Answer Man: Are video gaming machines legal?



John Boyle, jboyle@citizen-times.com 6:39 p.m. EST January 8, 2015



(Photo: John Boyle/jboyle@citizen-times.com)

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