

Illegal Gaming-Unregulated Gaming Machines

Fact Sheet For Michigan Businesses

Gambling in Michigan is illegal, unless authorized by state law, and involves the elements of consideration, prize, and chance. Michigan law prohibits accepting money, or anything of value, with the understanding that money, or something of value, will be paid to any person contingent upon the outcome of an uncertain event.

What makes using gaming machines illegal?

1. The player pays to play them (**consideration**).
2. The outcome of the games are determined primarily by accidental or fortuitous circumstances (**chance**) beyond the control of the player.
3. The player may be awarded something of value (**prize**).
4. They don't fall within the parameters of current state law.

Examples of machines used for illegal gambling:



Myths gaming machine suppliers may tell Michigan businesses:

1. The machines can be used legally because there is an element of skill.
2. The games can be played legally because payouts are made in the form of a gift card.
3. The games can be played legally because they are considered "redemption" games.



Consumer Impact:

1. The public is exposed to gambling games with unregulated and adjustable payout percentages.
2. Consumers have no method of resolving disputes with operators and/or suppliers of the gaming machines.
3. Businesses using these machines for gambling are prone to more serious criminal activity.

Potential Consequences for Michigan Businesses with Illegal Gaming Machines:

- ⇒ Loss of Liquor License
- ⇒ Loss of Lottery License
- ⇒ Criminal Prosecution
- ⇒ Monetary Fine

Real Life Consequences:

- ◇ 41 search warrants issued
- ◇ 1033 machines seized
- ◇ More than \$248,518 in cash forfeited to local law enforcement

To date, Michigan business owners using machines for gambling have been charged with:

- ◇ 246 felony and misdemeanor charges



**Report Illegal Gaming
Machines:
888-314-2682**



**Questions?
Contact Michigan
Gaming Control Board
313-456-4100**