

STRIKE EVERYTHING AFTER "BE IT ORDAINED," and SUB-
STITUTE THE FOLLOWING:

VOL 01 FRME 622

Section 1: NOVELTY AMUSEMENT DEVICES DEFINED

The words "Novelty Amusement Devices" shall include any coin operated machine, device, contrivance, apparatus or appliance, mechanical, electrical or hand propelled, designed to be used in whole or in part as an instrument or instrumentality for engaging in the use and exercise of skill by one or more persons in playing a game for the amusement and entertainment of the player or players and which is maintained commercially for such purpose, and payment is made by the insertion of a coin, by the player or players for such use of play, or which is maintained commercially for such purpose gratuitously as an attraction or stimulant to trade or patronage in such other line of business or endeavor which is maintained at the location of such novelty amusement device, and which is not in anywise used for the purpose of awarding any money or object of value to the player or players, and which does not contain any mechanism which varies the chance of winning free games or the number of free games which may be won, depending on the number of coins inserted into the device; provided that in no event shall a machine be licensed which is so designed and equipped as to render it of practical utility only as a device to be used for gambling.

Section 2: LICENSE REQUIRED -- OPERATION NEAR SCHOOLS PROHIBITED

No Novelty Amusement Device shall be operated or kept for operation in King County outside of the limits of incorporated cities and towns unless licenses for the operation thereof have been taken out as hereinafter provided; provided, however, that in no event shall any Novelty Amusement Device be operated within five hundred feet of any school.

Section 3: OPERATION WITHOUT OWNER'S LICENSE AND PAYMENT OF ADDITIONAL FEE PROHIBITED

No owner; operator; or other person; in charge of any

57 VOL 01 FRME 023

place of business shall operate, or permit to be in such place of business for operation, any Novelty Amusement Device unless the same shall be the property of a person, corporation or co-partnership holding an owner's license to operate the same as provided for herein, and unless there shall have been paid the additional license fees for the device and the location as provided herein; and there shall be attached to each such novelty amusement device evidence that such novelty amusement device is the property of a holder of an owner's annual license and that the license fees for the device provided for herein have been paid. The annual owner's license fee shall be \$5,000, and shall be paid on January 1 of each year, commencing January 1, 1970. The owner's license fee shall be \$2,500 for the period of July 1, 1969 through December 31, 1969.

Section 4: PROCEDURE FOR APPLICATION FOR OWNER'S LICENSE

Applications for owner's licenses provided for herein shall be filed with Department of Building, accompanied by the fee provided for herein. Upon granting a license applied for, the Department of Building shall forthwith transmit the amount of the license fee to the director of finance to be by him paid into the general fund of the county. In the event any owner's license applied for shall be refused, the amount of the license fee shall be refunded to the applicant.

Section 5: LOCATION LICENSE REQUIRED

It shall be unlawful for any person to display, exhibit or expose or permit to be displayed, exhibited or exposed for purpose of use, play or operation or permit to be used, played or operated for profit, any Novelty Amusement Device without having a valid Novelty Amusement Device Location License. A separate location license is required for each place of business and shall at all times be conspicuously posted and maintained in each place of business. The Department of Building shall prescribe the form of such location and license/shall indicate thereon the maximum number of Novelty Amusement

Devices which may be displayed on such premises. Not more than one location license shall be issued for any one place of business. No such location license shall be transferred from the premises for which it was issued during the license year without the consent of the Department of Building. The location license fee shall be \$10 per year, payable on January 1 of each year, commencing January 1, 1970. The location license fee shall be \$5 for the period of July 1, 1969 through December 31, 1969.

Section 6: ADDITIONAL LICENSE REQUIRED FOR EACH DEVICE

Each Novelty Amusement Device operated by an owner licensed hereunder shall be subject to an additional license fee of \$2.50 per year. This fee shall be payable yearly, beginning on January 1 of each year. Novelty Amusement Device Licenses issued after the beginning of the license year shall be issued on the basis of the annual fee pro-rated quarterly.

Section 7: RESIDENCE REQUIREMENT

No Novelty Amusement Device Owner's License shall be issued to any person, corporation or co-partnership, unless the person, all shareholders of the corporation, or partners of the co-partnership applying for such license shall have been a resident of the State of Washington for at least five years prior to the application for such license. It is the intention that licenses will be issued under this Ordinance, for the operation and ownership of Novelty Amusement Devices, only to residents of the State of Washington.

Section 8: FINANCIAL INTEREST LOCATION PROHIBITED

No manufacturer of amusement devices, or representative of such manufacturer, and no holder of an owner's license who leases, rents or places with others any Novelty Amusement Devices, shall have any financial interest in the premises or business located thereon, which are licensed as a Novelty Amusement Device location. Financial interest shall mean any direct or indirect ownership of said premises or business through corporate stock ownership, partnership, trust or otherwise and no such manufacturer or representative or holder of an

owner's license shall advance any money, gift, or make any loan to the owner of such premises or business located thereon. VOL 01 FRME. 625

Section 9: APPLICATION FOR LICENSE FOR INDIVIDUAL DEVICES

The applications for licenses provided for herein for individual Novelty Amusement Devices shall be made to the Department of Building before said Novelty Amusement Devices are placed for operation. Upon application and payment of the license fee, the Department of Building shall issue a license for each separate Novelty Amusement Device only to holders of the owner's license provided for herein. Licenses shall be issued to applicants holding Novelty Amusement Device owner's license only upon payment in advance of an amount equal to one-quarter of the annual Novelty Amusement Device license fee.

Section 10: REVOCATION OF LICENSES--NOTICE OF REVOCATION--SUSPENSION OF OPERATION REQUIRED--LOCATION OF DEVICES DETERMINED BY--HEARING ON DENIAL BY BOARD

The Department of Building shall have the right to revoke any and all licenses issued hereunder should said Department of Building be satisfied that the licensee or person operating any of the Novelty Amusement Devices is doing so in contravention of the spirit and letter of this chapter; provided, however, that the Department of Building shall give thirty (30) days written notice to said licensee or person operating said Novelty Amusement Device to appear before the Department of Building at a time and place to be designated in the notice given by said Department to show cause, if any there be, why said license or licenses should not be revoked.

Upon receiving such notice as mentioned in the preceding paragraph, the licensee or person owning the Novelty Amusement Device in controversy shall suspend operation of all Novelty Amusement Devices in his possession or under his control pending the outcome and action of the Department of Building, pursuant to the hearing provided for.

The Department of Building shall have the right to designate the place or places wherein such Novelty Amusement Devices may be operated and it shall be unlawful to operate any such Novelty Amusement Device any place where the Department of Building shall refuse the same to be operated, provided, however, should any person feel that the denial of the use of such Novelty Amusement Device in his place be without justification, that he be given a hearing before the Department of Building, upon application therefor to then present such reasons as he may have that the Department of Building should reconsider its action and to also be informed by the Department of Building of its reasons for denial.

Section 11: VIOLATION --MISDEMEANOR

Any violation of this Chapter is a Misdemeanor and shall be punished as provided by the laws of the State of Washington.

Section 12:

Should any section, subsection, paragraph, sentence, clause or phrase of this ordinance be declared unconstitutional or invalid for any reason, such decision shall not affect the validity of the remaining portions of this ordinance.

Section 13: DETERMINATION OF EMERGENCY

The County Council finds as a fact that an emergency exists and that this ordinance is necessary for the immediate preservation of the public peace, health and safety and for the support of County Government and its existing public institutions.

PASSED THIS 30th day of June, 1969.

KING COUNTY COUNCIL
KING COUNTY, WASHINGTON

John T. O'Brien
Chairman

ATTEST:

Ralph R. Stender
Clerk of the Council

VETOED

~~APPROVED~~ THIS 2nd day of July, 1969.

John D. Spelman
County Executive

EVOL 01 FRME 007

JOHN D. SPELLMAN
COUNTY EXECUTIVE



KING COUNTY COURT HOUSE

SEATTLE, WASHINGTON 98104

(206) 344.4040

July 2, 1969.

The King County Council
King County Courthouse
Seattle, Washington

Honorable Members:

Attached is Substitute Ordinance No. 00057 which I have vetoed.

Substantively and procedurally the ordinance is undesirable and defective. It fails to repeal Section 3.36 of the King County Code which allows for licensing of pinball and amusement devices, thereby leaving the County in the untenable position of having two contradictory and incompatible laws on amusement devices. Such an action not only does not assist law enforcement or licensing officials in carrying out their duties, but it serves to confuse and mislead all parties, as has been demonstrated by recent court decisions. It could well be concluded that King County has adopted a policy authorizing licensing of both single coin and multiple coin machines, although the latter have been declared illegal under State law.

The concluding sentences of Sections 3, 5 and 6 of the new ordinance revert to an old policy, previously rejected by the Board of County Commissioners as undesirable, that of allowing payment of partial annual fees for owners licenses, location licenses and machine licenses. This increases paper work and enforcement work for licensing officials, decreases the revenue available for administering the office and regulating the industry, and in the case of individual machine licenses, results in possibility of a 62 1/2 cents fee issued for a quarter of year at a net loss and considerable expense to the County.

RECEIVED
JUL 2 1969
CLERK OF COUNTY COUNCIL

King County Council
July 2, 1969

Page 2

I would respectfully suggest that you consider standard fees for each license, payable in full whether for all or part of a year.

In an earlier communication it was pointed out that the \$5,000 annual owner's license fee set forth in the new ordinance is inadequate to finance necessary administrative and enforcement activities carried out by licensing and law enforcement personnel. The 1969 King County Budget anticipates a \$20,000 license fee but the new ordinance would reduce this sum to \$2,500 for the last six months of the year. I would recommend that you review your determination to concur in the amusement industry's unsupported statement that it could not afford the fee which has been in existence for many years and that it could not pay more than \$5,000 per year, in light of King County's dire financial circumstances and the necessity to borrow emergency funds for County agencies to provide the revenue deleted in the new ordinance.

My legal counsel has informed me that the criminal penalties set forth in the ordinance could not be enforced in court due to fatal procedural defects in adopting the ordinance. State statutes clearly require that laws with criminal penalties require specific notice and hearing in order to be valid. Even if State law were now inapplicable due process would require that adequate notice be given, and the King County Charter has specific requirements for adoption of ordinances which apparently were not met in this case.

It would be most unfortunate to adopt an ordinance attempting to regulate amusement devices and exclude gambling devices which would allow individuals to violate the law with impunity because of inoperable legal sanctions. The serious legal cloud on the new ordinance must be removed if the ordinance is to be a meaningful tool in regulation and law enforcement.

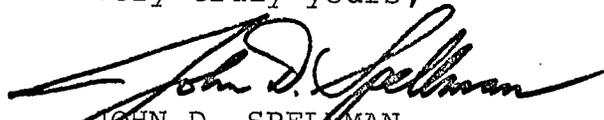
Finally, the new ordinance contains an emergency clause, purporting to allow it to go into effect immediately. However, the transcript of the meeting at which the ordinance was adopted indicates that the measure passed by a vote of 6 to 2, and Section 230.30 of the King County Charter provides that "a minimum of 7 affirmative votes shall be required to enact an emergency ordinance". Therefore, based on the record it is clear that the ordinance was not properly enacted as an emergency ordinance and is defective.

King County Council
July 2, 1969

Page 3

In view of these serious questions regarding the content of the ordinance and the serious procedural irregularities in its enactment, I believe it incumbent upon me to veto the ordinance and request that you reconsider it in order to correct its deficiencies.

Very truly yours,



JOHN D. SPELLMAN
County Executive

JDS/yh