

1 AN ORDINANCE relating to Novelty Amusement Devices;
 2 amending Ordinance 69, Section 1 and K.C.C. 6.04.010;
 3 Ordinance 69, Section 3 and K.C.C. 6.04.030; Ordinance
 4 69, Section 8 and K.C.C. 6.04.080; repealing Ordinance
 5 69, Section 2 and K.C.C. 6.04.020; Ordinance 69, Section 4
 6 and K.C.C. 6.04.040; Ordinance 69, Section 6 and K.C.C.
 7 6.04.060; Ordinance 69, Section 7 and K.C.C. 6.04.070;
 8 Ordinance 69, Section 9 and K.C.C. 6.04.090;
 9 Ordinance 69, Section 10 and K.C.C. 6.04.100; Ordinance
 10 69, Section 11 and K.C.C. 6.04.110; Ordinance 69,
 11 Section 12 and K.C.C. 6.04.120; Ordinance 69, Section 13
 12 and K.C.C. 6.04.130; and adding new sections to
 13 K.C.C. 6.04.

14 BE IT ORDAINED BY THE COUNCIL OF KING COUNTY:

15 SECTION 1. Ordinance 69, Section 1 and K.C.C. 6.04.010 are
 16 hereby amended to read as follows:

17 ((Defined)) Definitions.

18 (a) "Financial interest means any direct or indirect ownership
 19 of the premises of business located therein through corporate stock
 20 ownership, partnership, trust or otherwise.

21 (b) "Novelty amusement device ((s)) "includes any coin-operated
 22 or remote controlled machine, device, contrivance, apparatus or appliance,
 23 mechanical, electrical or hand propelled, designed to be used in whole or in
 24 part as an instrument or instrumentality for engaging in the use and
 25 exercise of skill by one or more persons in playing a game for the amuse-
 26 ment and entertainment of the player or players and which is maintained
 27 commercially for such purpose ((, and payment is made by insertion of a
 28 coin, by the player or players for such use or play, or which is maintained
 29 commercially for such purpose gratuitously as an attraction or stimulant
 30 to trade or patronage in such other line of business or endeavor which is
 31 maintained at the location of such novelty amusement device, and which
 32 is)). Such novelty amusement device shall not ((anywise)) be used for
 33 the purpose of awarding any money or object of value to the player or
players, and ((which does)) shall 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

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equipped as to render it of practical utility only as a device to be used for gambling.

(c) "Novelty amusement device Distributor" shall mean any person who leases or rents to, or places with others any novelty amusement device for use, play or operation.

(d) "Novelty amusement device Owner" shall mean any person who owns a novelty amusement device and operates said device on premises owned or leased by said person.

(e) "Novelty amusement device Vendor" shall mean any person who engages in the business of selling, exchanging, or offering or exhibiting for sale or exchange, more than three novelty amusement devices in a year period.

(f) "Substantial connection" means:

(1) In a sole proprietorship, the individual owns, operates, manages or conducts, directly or indirectly, the applicant; or

(2) In a partnership, the individual shares in any potential profits of the applicant; or

(3) In a corporation, if the individual is an officer, director, or a holder (directly or beneficially) of more than ten percent of any class of stock; or

(4) The individual furnishes more than ten percent of the capital of such applicant, whether in cash, goods or services.

SECTION 2. Ordinance 69, Section 3 and K.C.C. 6.04.030 are hereby amended to read as follows:

Operation without ~~((owner's))~~ licenses ~~((and payment of additional fee))~~ prohibited.

No owner, operator or other person in charge of any place of business shall operate, or permit to be in such place of business for operation, any novelty amusement device unless ~~((the same is the property of a person, corporation or copartnership holding an owner's license to~~

1 operate the same as provided for herein, and unless there has been paid the
 2 additional license fees for the device and the location as provided herein,
 3 and there shall be attached to each such novelty amusement device evidence
 4 that such novelty amusement device is the property of a holder of any
 5 owner's annual license and that the license fees for the device provided
 6 for herein have been paid. ~~The annual owner's license fee shall be five~~
 7 ~~thousand dollars, and shall be paid on January 1st of each year, provided,~~
 8 ~~that for the year 1969 the license shall run from July 1st to December~~
 9 ~~31st and the fee shall be two thousand five hundred dollars)) such device
 10 is licensed pursuant to Section 3 and 4 of this ordinance.~~

11 SECTION 3. Ordinance 69, Section 8 and K.C.C. 6.04.080 are
 12 hereby amended to read as follows:

13 Novelty amusement device distributor - Location license required.

14 It is unlawful for any ((~~person~~)) Novelty amusement device
 15 distributor to ((~~display, exhibit or expose or permit to be displayed,~~
 16 ~~exhibited or exposed for purpose of use, play or operation or permit to~~
 17 ~~be used, played or operated for profit,)) lease, rent to, or place with
 18 others any novelty amusement device without having a valid novelty amusement
 19 device location license. A separate location license is required for each
 20 place of business. ((~~The director shall indicate thereon the maximum~~
 21 ~~number of novelty amusement devices which may be displayed on such premises,))
 22 Not more than one location license shall be issued for any one place of
 23 business ((~~No~~)); provided however, such location license ((~~shall~~))
 24 may be transferred from the premises for which it was issued during the
 25 license year ((~~without~~)) with the consent of the director. The location
 26 license fee shall be ten dollars per year or part thereof, payable
 27 January 1st of each year.~~~~

28 SECTION 4. NEW SECTION. Novelty Amusement Device Owner's
 29 License.

30 No owner, operator or other person in charge of any place of
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1 business may own and operate a novelty amusement device on premises owned
2 or leased by said person unless he has first obtained a Novelty Amusement
3 Device Owner's Machine license for each such device; Provided, however, that
4 ownership of each such device must be shown by a bill of sale, contract
5 or other evidence satisfactory to the director evidencing that said person
6 owns or is making a bona fide purchase of the device for which the license
7 is applied. The fee for such license shall be one hundred dollars for the
8 first device and twenty-five dollars for all other devices per year. Such
9 license shall be good for a year from the date of its issuance. The license
10 shall be affixed to the machine.

11 No additional license is necessary if the owner, operator or other
12 person in charge of the place of business leases or rents a novelty amusement
13 device properly licensed under Section 5 of this ordinance.

14 SECTION 5. NEW SECTION. Novelty Amusement Device Distributor's
15 License.

16 No person shall lease, rent or place with others any novelty amusement
17 device without a Novelty Amusement Device Distributor's license and
18 individual Distributor Machine licenses as hereinafter provided. The fee
19 shall be two thousand five hundred dollars per year for the Novelty
20 Amusement Device Distributor's license, payable on January 1st of each year;
21 Provided, however, that the fee shall be one thousand two hundred and fifty
22 dollars if the application is received after June 30th of the license year.
23 Each machine leased, rented or placed pursuant to a Novelty Amusement Device
24 Distributor's license must possess a Novelty Amusement Device Distributor's
25 machine license. The fee for such license shall be \$25.00 per device per
26 year, payable on January 1st of each year or portion thereof. The license
27 shall be affixed to the machine.

28 SECTION 6. NEW SECTION. Novelty Amusement Device Vendor's License.

29 (a) No person shall engage in the business of selling or offering
30 or exhibiting for sale more than three novelty amusement devices in a year
31 without a Novelty Amusement Device Vendor's license; Provided, however, that
32 the requirement for such license shall not exist where the director determines
33 the intent of the seller, offeror or exhibitor is not to engage in this

1 business. In determining this intent the director shall consider and weigh
2 in a reasonable manner the following factors, to include but not be limited
3 by:

- 4 (1) Nature of the sale;
- 5 (2) Parties to the sale;
- 6 (3) Frequency of sales in the past;
- 7 (4) Volume of the sale;
- 8 (5) Bargaining position of the parties to the sale;
- 9 (6) Position of the parties after the sale;
- 10 (7) Affect of the license requirement on the parties;
- 11 (8) Good faith of the parties;
- 12 (9) Protection of buyer regarding servicing and maintenance of

13 the device(s) if bond is not required. The fee for such license shall
14 be \$500.00 per year payable on January 1st of each year or portion thereof.

15 (b) Each applicant for a Novelty Amusement Device Vendor's license
16 shall file with the director a surety bond in a form approved by the
17 director, executed by a surety company authorized to do business in this state
18 running to the County of King, State of Washington in the sum of
19 ten thousand dollars conditioned that the applicant-vendor will furnish
20 parts and repairmen to any person to whom he may sell any novelty
21 amusement device for a period of two years after the sale. The bond shall
22 state that it is for the use or benefit of the vendee who may have a cause
23 of action against the vendor on the bond by reason of breach of the condition.

24 (c) The director shall deny the application for a license if the
25 applicant fails to satisfy the surety bond requirement.

26 SECTION 7. NEW SECTION. Application Procedure.

27 No license or renewal of any license provided for by this ordinance
28 shall be issued or renewed except upon written application to the director,
29 signed and sworn to by the person who intends to utilize said license.

30 Such application shall contain the following information:
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1 (a) The business name, business address, and telephone number of
2 the applicant;

3 (b) In relation to each natural person having a substantial
4 connection with such business:

5 (1) True name and any other name by which commonly known;

6 (2) Residence address and telephone number;

7 (3) Date and place of birth;

8 (4) Length of residence in King County; if less than one year
9 then the prior address outside King County;

10 (5) Nature of relationship to business;

11 (6) Within ten years of date of application, has pleaded
12 guilty to or been convicted of violating any ordinance, resolution or
13 law other than traffic offenses, of any jurisdiction. If so, full
14 circumstances thereof including, but not limited to date, court, and
15 case disposition;

16 (c) In relation to each corporation or partnership having a
17 substantial connection with such applicant:

18 (1) Name of the corporation or partnership;

19 (2) Name of registered agent and address of registered office;

20 (3) Primary office address, if different from above;

21 (4) Date and place of incorporation or organization;

22 (5) Date and place of filing of Articles;

23 (6) Nature of relationship to applicant;

24 (7) Names and residence addresses of all officers, directors,
25 limited or general partners, and holders (directly or beneficially) of
26 more than ten percent of any class of stock.

27 (d) Such other information as the director may reasonably require
28 to determine the advisability of license issuance.

29 SECTION 8. NEW SECTION. Financial Interest Prohibited.

30 No holder of a Novelty Amusement Device Distributor's license shall
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1 have any financial interest in the premises whereon said distributor leases,
2 rents or places a novelty amusement device.

3 SECTION 9. NEW SECTION. Denial of Licenses.

4 The director may deny issuance of any license under this ordinance
5 if the applicant or any of its officers, directors or partners have:

6 (a) Made any false statement in the application;

7 (b) Committed any act, while unlicensed, for which a license is
8 required under the provisions of this ordinance;

9 (c) Committed any act resulting in a conviction within ten years of
10 a felony or a crime involving moral turpitude which is reasonable related
11 to the license applied for;

12 (d) Been refused a license or had a license revoked under the
13 provisions of this ordinance; Provided, however, that any applicant denied
14 a license may reapply after six months, if the basis for denial no longer
15 exists;

16 (e) Not resided in the State of Washington for at least five years
17 prior to an application for a Novelty Amusement Device Distributor's license;

18 (f) Failed to comply with the Building, Zoning, and Fire Codes of
19 King County.

20 SECTION 10. NEW SECTION. Suspension or Revocation of Licenses.

21 The director may suspend or revoke any license under this ordinance
22 if the applicant or any of its officers, directors or partners have:

23 (a) Committed any act which is a ground for denial of any license
24 under this ordinance;

25 (b) Violated any of the provisions of this ordinance.

26 SECTION 11. NEW SECTION. Effective Date.

27 The provisions of this ordinance shall not become effective until
28 January 1, 1975; Provided, however, that any person desiring to apply for
29 a Novelty Amusement Device Owner's license may do so and may be granted such
30 license upon compliance with the provisions of this ordinance; and further
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1 provided, that any person holding a license in 1974 pursuant to
2 King County Code 6.04.030, who applied for such license after
3 June 30, 1974, shall be credited by the County for the 1975
4 license year in the amount of two thousand five hundred dollars.

5 SECTION 12. Repealer.

6 Ordinance 69, Section 2 and K.C.C. 6.04.020; Ordinance 69,
7 Section 4 and K.C.C. 6.04.040; Ordinance 69, Section 6 and K.C.C.
8 6.04.060; Ordinance 69, Section 7 and K.C.C. 6.04.070; Ordinance
9 69, Section 9 and K.C.C. 6.04.090; Ordinance 69, Section 10 and
10 K.C.C. 6.04.100; Ordinance 69, Section 11 and K.C.C. 6.04.110;
11 Ordinance 69, Section 12 and K.C.C. 6.04.120; Ordinance 69,
12 Section 13 and K.C.C. 6.04.130 are hereby repealed.

13 INTRODUCED AND READ for the first time this 23rd day of
14 December, 1974.

15 PASSED this 20th day of January, 1975.

16 KING COUNTY COUNCIL
17 KING COUNTY, WASHINGTON

18 Bill Ramm
19 Chairman

20 ATTEST:

21
22 Janet M. Quinn
23 Clerk of the Council

24 APPROVED this 23rd day of January, 1975

25 John J. Spillman
26 King County Executive
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