

## News Article

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# 'Coin pusher' games targeted by state Lottery

By Phil Kabler, Staff writer

Operators of limited video lottery locations are being warned that if they don't remove "coin-pusher" machines from their premises, they will lose their video lottery licenses and face possible criminal prosecution.

"We've had reports that [coin-pusher machines] are starting to show up in locations where we have video lottery machines," Lottery Commission Director John Musgrave said Wednesday. "We're putting our licensees on notice that we feel they're in violation of the criminal statute."

Under the 2001 law legalizing up to 9,000 video lottery machines in licensed bars, clubs, and fraternal organizations statewide, possession of unlicensed gambling machines is a felony, punishable by up to 3 years in prison and fines of up to \$100,000 per machine.

Musgrave said lottery attorneys believe the coin-pusher machines — where players drop in coins in hopes of knocking coins, tokens, jewelry or other prizes off rotating shelves — falls under the ban on non-Lottery gaming machines.

"We're notifying limited video retailers that it is a violation of Lottery regulations, and criminal law," he said.

Musgrave said the coin-pusher machines are beginning to pop up in locations around the state — much the way the so-called "gray" video slot machines proliferated in the 1990s.

"They're showing up in pizza places. They're showing up in corner drug stores," he said.

While the 2001 law makes possession of the machines a felony, it's up to state and local police to enforce the law, which can be difficult since law enforcement authorities cannot enter private clubs without a search warrants, he said.

"It creates a dilemma. It's like the old gray machines," Musgrave said.

He said video lottery retailers are also being put on notice that they are responsible for assuring that their establishments are not listed under "casinos" in any telephone directories.

Several licensees have been fined by the commission for violating the ban on any advertising of limited video machines. The commission has upheld those fines, even though the licensees said the directory publishers put them under the casino headings without their knowledge.

Also during Wednesday's Lottery Commission meeting:

Musgrave said he hopes Gov. Joe Manchin will include an item on the June special legislative session call that would increase the amount of lottery profits the commission is allowed to hold over from the current \$250,000 a year to \$20 million.

That would allow the commission to finance construction of a six- to seven-story office tower at the Capitol Complex on a pay-as-you-go basis.

With \$1.263 billion in total revenues through April 30, the lottery is on pace to break the record \$1.399 billion in revenues, set in the 2004-05 budget year.

April revenues totaled \$132 million, with two months remaining in the 2005-06 budget year. For the year-to-date, racetrack and limited video lottery accounts for the bulk of the revenue, at \$1.079 billion.

The state's share of lottery profits, year-to-date, is \$539.1 million.

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**West Virginia Amusement  
& Limited Video Lottery  
OPERATORS ASSOCIATION**

PO Box 2549  
Charleston, WV 25329

**WVALVLOA@aol.com**

304.342.1737 phone  
304.342.1737 fax

**WVA & LVLOA**