

# HOUSE BILL 575

C7

8lr1637

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By: **Delegate Beitzel**

Introduced and read first time: January 31, 2008

Assigned to: Ways and Means

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## A BILL ENTITLED

1 AN ACT concerning

2 **Garrett County - Gaming Events Regulation - Repeal**

3 FOR the purpose of repealing the provisions requiring organizations to obtain a  
4 license from a certain county agency in Garrett County in order to conduct  
5 certain gaming events; repealing provisions related to certain permits, licenses,  
6 fees, taxes, inspections, regulations, violations, and penalties related to paper  
7 gaming events in Garrett County; repealing certain definitions; restating that  
8 certain provisions relating to gaming apply to Garrett County; and generally  
9 relating to gaming events regulation in Garrett County.

10 BY repealing

11 Article – Criminal Law  
12 Section 13–1401 through 13–1406  
13 Annotated Code of Maryland  
14 (2002 Volume and 2007 Supplement)

15 BY adding to

16 Article – Criminal Law  
17 Section 13–1401  
18 Annotated Code of Maryland  
19 (2002 Replacement Volume and 2007 Supplement)

20 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF  
21 MARYLAND, That the Laws of Maryland read as follows:

22 **Article – Criminal Law**

23 [13–1401.

24 (a) In this subtitle the following words have the meanings indicated.

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EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 (b) "County Commissioners" means the Board of County Commissioners of  
2 Garrett County.

3 (c) "Gaming event" includes a bazaar, carnival, raffle, tip jar, punchboard,  
4 and any other event at which a gaming device is operated.

5 (d) (1) "Gaming device" means:

6 (i) except for a billiard table, a gaming table at which a game of  
7 chance is played for money or any other thing or consideration of value; or

8 (ii) a game or device at which money or any other thing or  
9 consideration of value is bet, wagered, or gambled.

10 (2) "Gaming device" includes a paddle wheel, wheel of fortune, and  
11 chance book.]

12 [13-1402.

13 (a) This subtitle applies only in Garrett County.

14 (b) Subtitle 2 of this title applies in Garrett County.]

15 [13-1403.

16 (a) Before an organization listed in subsection (b) of this section may conduct  
17 a gaming event, the organization shall obtain a permit from the county agency that  
18 the County Commissioners designate.

19 (b) An organization may conduct a gaming event for its own benefit if the  
20 organization is:

21 (1) a bona fide:

22 (i) religious organization;

23 (ii) fraternal organization;

24 (iii) civic organization;

25 (iv) war veterans' organization;

26 (v) hospital;

27 (vi) amateur athletic organization;

28 (vii) patriotic organization;

- 1 (viii) educational organization; or  
2 (ix) charitable organization;  
3 (2) a county volunteer fire department or rescue squad; or  
4 (3) an auxiliary for a county volunteer fire department or rescue  
5 squad.

6 (c) (1) Before the county agency may issue a gaming permit, the county  
7 agency shall determine whether the organization applying for the gaming permit  
8 meets the requirements of this section.

9 (2) An application and the action that the county agency takes on the  
10 application are public records.

11 (d) (1) (i) A gaming permit is valid for 1 year after the date that it is  
12 issued.

13 (ii) A gaming permit may not be transferred.

14 (2) The County Commissioners may charge a permit fee.

15 (e) (1) Only members of an organization that holds a gaming permit may  
16 conduct a gaming event.

17 (2) Except as allowed under § 13–1405 of this subtitle, an individual  
18 may not benefit financially from a gaming event.

19 (3) A gaming permit may not authorize a gaming event to be  
20 conducted on a Sunday before 1 p.m.

21 (f) The holder of a gaming permit may award:

22 (1) prizes to individuals at a gaming event; and

23 (2) only one major prize at each gaming event.]

24 [13–1404.

25 (a) (1) In this section, “paper gaming” means a game of chance in which:

26 (i) prizes are awarded; and

27 (ii) the devices used to play the game are constructed out of  
28 paper or cardboard.

1           (2)   “Paper gaming” includes tip jar and punchboard gaming.

2           (3)   “Paper gaming” does not include bingo.

3           (b)   (1)   Subject to paragraphs (2) and (3) of this subsection, a person that  
4 is a for profit business or an organization listed under § 13–1403(b) of this subtitle  
5 may engage in paper gaming if the person obtains a paper gaming license that is  
6 issued by the County Commissioners.

7           (2)   If the person is a for profit business, the person:

8                   (i)   shall also hold a Class A, B, C, or D retail alcoholic  
9 beverages license; and

10                   (ii)   may engage in paper gaming only on the premises of the for  
11 profit business.

12           (3)   Subject to paragraph (4) of this subsection, an organization may  
13 engage in paper gaming if the organization:

14                   (i)   is listed under § 13–1403(b) of this subtitle and does not  
15 have an alcoholic beverages license; or

16                   (ii)   is a county volunteer fire department or rescue squad and  
17 has an alcoholic beverages license.

18           (4)   An organization under paragraph (3) of this subsection may engage  
19 in paper gaming only on its premises.

20           (c)   A person may sell paper gaming devices to a paper gaming licensee if the  
21 person obtains a wholesale vendor’s license issued by the County Commissioners.

22           (d)   The County Commissioners shall set annual fees for a paper gaming  
23 license and a wholesale vendor’s license.

24           (e)   Not later than the fifteenth of each month, wholesale vendor licensees  
25 shall provide to the County Commissioners a list for the previous month of all  
26 customers to whom they sold paper gaming products and the total number of products  
27 sold to each customer.

28           (f)   A paper gaming licensee may not have on its premises a paper gaming  
29 device that does not display a gaming sticker issued by the county.

30           (g)   The County Commissioners shall ensure that each licensee who conducts  
31 paper gaming under a paper gaming license sells to the public the same serial–  
32 numbered paper gaming devices that are listed on the bill of sale from the wholesale  
33 vendor licensee.

1 (h) The County Commissioners may impose the following paper gaming  
2 taxes:

3 (1) on licensees that are qualified organizations, 10% of gross profits  
4 minus the costs of paper gaming products; and

5 (2) on licensees that are for profit businesses, 40% of gross profits  
6 minus the costs of paper gaming products.

7 (i) (1) In this subsection, "Fund" means the Special Gaming Fund.

8 (2) The County Commissioners shall establish a Special Gaming Fund.

9 (3) The Fund is a special continuing, nonlapsing fund.

10 (4) The Fund shall be used only to benefit fire and rescue services.

11 (5) (i) The Fund consists of:

12 1. revenue derived from the taxation of gross profits  
13 from tip jar sales; and

14 2. subject to subparagraph (ii) of this paragraph, money  
15 received from other sources.

16 (ii) Money from the General Fund of the State or the county,  
17 including any federal money, may not be transferred by budget amendment or  
18 otherwise to the Fund.

19 (6) The Fund shall be invested and reinvested in the same manner as  
20 other county funds.

21 (7) Annually the County Commissioners shall:

22 (i) pay from the Fund all administrative costs of carrying out  
23 this section, including the hiring of additional necessary personnel; and

24 (ii) allocate the remaining money in the Fund to fire and rescue  
25 services.

26 (j) The County Commissioners may adopt rules and regulations to  
27 administer and enforce this section.

28 (k) The County Commissioners may:

29 (1) hire or designate one or more inspectors; and

1           (2)     authorize each inspector to enter the premises of a licensee to  
2 ensure compliance with this section or a rule or regulation adopted under this section.

3           (1)     The County Commissioners may adopt an ordinance or resolution  
4 declaring that:

5           (1)     a violation of this section or a rule or regulation adopted under this  
6 section is a misdemeanor punishable by a term of imprisonment not exceeding 30 days  
7 or a fine not exceeding \$1,000 or both; and

8           (2)     each day that a violation continues is a separate offense.

9           (m)     After a hearing, if the County Commissioners or a designee of the Board  
10 finds that a paper gaming licensee, a wholesale vendor licensee, or an agent of a  
11 licensee has violated this section or a rule or regulation adopted under this section, the  
12 Board may suspend or revoke the license in addition to any fine or penalty imposed  
13 under this subsection.]

14 [13–1405.

15           (a)     A person authorized to conduct bingo under subsection (b) of this section  
16 shall obtain a bingo permit from the county agency designated by the County  
17 Commissioners to issue a bingo permit.

18           (b)     An organization may conduct bingo for its own benefit or to benefit  
19 charity in the county if the organization is a legal resident of the county and is:

20           (1)     a bona fide:

21                   (i)     religious organization;

22                   (ii)    fraternal organization;

23                   (iii)   civic organization;

24                   (iv)    war veterans' organization;

25                   (v)     hospital;

26                   (vi)    amateur athletic organization;

27                   (vii)   patriotic organization;

28                   (viii)   educational organization; or

29                   (ix)    charitable organization;

- 1           (2)    a county volunteer fire department or rescue squad; or
- 2           (3)    an auxiliary for a county volunteer fire department or rescue
- 3   squad.
- 4           (c)    A person who is not a legal resident of the county may not conduct bingo.
- 5           (d)    To qualify for a bingo permit, a person shall meet the requirements set by
- 6   the county.
- 7           (e)    Only members of an organization listed under subsection (b) of this
- 8   section may conduct and operate bingo games.]

9   [13-1406.

10           The County Commissioners may adopt regulations to carry out this subtitle,

11 including age restrictions for participants in any activity involving a gaming event or

12 bingo.]

13   **13-1401.**

14           **SUBTITLE 2 OF THIS TITLE APPLIES IN GARRETT COUNTY.**

15           SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect

16   October 1, 2008.