

Department of Legislative Services
Maryland General Assembly
2008 Session

FISCAL AND POLICY NOTE

House Bill 1149
Ways and Means

(Delegates Mathias and Conway)

Judicial Proceedings

Worcester County - Bingo

This bill alters fees and prize amounts for bingo conducted in Worcester County. A winner-take-all bingo prize is authorized without a prize limit. The bill repeals a prohibition against conducting bingo outside the election district in which the main office, headquarters, or usual meeting place of the applicant for a bingo license is located. Prohibitions against conducting bingo on Sunday and using specified forms of advertising are also repealed under the bill.

Fiscal Summary

State Effect: None.

Local Effect: Minimal positive revenues due to increased licensing fees and 3% of any additional revenues collected from gross bingo receipts.

Small Business Effect: None.

Analysis

Current Law: A nonprofit organization or municipal corporation that intends to conduct bingo must obtain annual or temporary licenses from the Worcester County Bingo Board. Applicants pay \$100 for an annual license and temporary licensees pay a fee of \$3 for each day bingo is conducted. Fees are transferred from the board to the Worcester County Commissioners. A license may not be issued to an applicant to conduct bingo outside the election district in which the main office, headquarters, or usual meeting place of the applicant for a bingo license is located. The board must approve bingo on leased

premises. Admission to play bingo may not exceed one dollar. The value of a prize in money, merchandise, or services may not exceed \$50. Jackpot prizes may be offered in a maximum amount of \$1,000. Bingo may not be conducted on Sunday. Public advertising of bingo is prohibited except in specified forms and locations.

Background: Each county is responsible for regulating gaming activities conducted by civic and charitable organizations. There is no statewide reporting of gaming activities by civic and charitable organizations, except for the currently authorized slot machines operated on the Eastern Shore. Gaming licensees may use the proceeds of gaming activities for the benefit of their own organizations, but do not need to share them with other organizations. However, slot machine operators must use half of the proceeds from slot machines to benefit a charity.

Each licensee must pay the county commissioners 3% of the gross receipts derived from bingo each day that bingo is conducted. Nonprofit organizations may retain up to one-half of the proceeds derived from a bingo event. The remaining proceeds are distributed for educational or charitable purposes. If bingo is conducted in a municipality of the county, the county commissioners must pay one-third of the 3% received to the municipality for general purposes.

State gaming law requirements currently apply to 15 counties.

Additional Information

Prior Introductions: None.

Cross File: None.

Information Source(s): Worcester County, Department of Legislative Services

Fiscal Note History: First Reader - March 17, 2008
mll/rhh

Analysis by: Michael P. Lee

Direct Inquiries to:
(410) 946-5510
(301) 970-5510