

HOUSE BILL 1366

C7

2lr3348

By: **Delegates Impallaria, Aumann, Boteler, McDonough, Minnick, Olszewski, and Weir**

Introduced and read first time: February 22, 2012

Assigned to: Rules and Executive Nominations

A BILL ENTITLED

1 AN ACT concerning

2 **Baltimore County – Slot Machines – Ownership and Operation by Eligible**
3 **War Veterans’ Organizations**

4 FOR the purpose of authorizing eligible war veterans’ organizations in Baltimore
5 County to own or operate slot machines under certain circumstances; altering
6 the definition of “eligible organization” to include a war veterans’ organization
7 that has been located in Baltimore County for a certain number of years before
8 the organization applies for a license for a slot machine; and generally relating
9 to slot machine ownership and operation by eligible war veterans’ organizations
10 in Baltimore County.

11 BY repealing and reenacting, with amendments,
12 Article – Criminal Law
13 Section 12–304
14 Annotated Code of Maryland
15 (2002 Volume and 2011 Supplement)

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

18 **Article – Criminal Law**

19 12–304.

20 (a) In this section, “eligible organization” means:

21 **(1) A BONA FIDE WAR VETERANS’ ORGANIZATION THAT HAS BEEN**
22 **LOCATED IN BALTIMORE COUNTY FOR AT LEAST 5 YEARS BEFORE THE**

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 ORGANIZATION APPLIES FOR A LICENSE UNDER SUBSECTION (E) OF THIS
2 SECTION;

3 [(1)] (2) a nonprofit organization that:

4 (i) has been located in a county listed in subsection (b) of this
5 section for at least 5 years before the organization applies for a license under
6 subsection (e) of this section; and

7 (ii) is a bona fide:

- 8 1. fraternal organization;
- 9 2. religious organization; or
- 10 3. war veterans' organization; or

11 [(2)] (3) a nonprofit organization that has been affiliated with a
12 national fraternal organization for less than 5 years and has been located in a county
13 listed in subsection (b) of this section for at least 50 years before the nonprofit
14 organization applies for a license under subsection (e) of this section.

15 (b) This section applies TO:

16 (1) AN ELIGIBLE ORGANIZATION DESCRIBED IN SUBSECTION
17 (A)(1) OF THIS SECTION; AND

18 (2) AN ELIGIBLE ORGANIZATION DESCRIBED IN SUBSECTION
19 (A)(2) OR (3) OF THIS SECTION ONLY IF THE ELIGIBLE ORGANIZATION IS
20 LOCATED in:

- 21 [(1)] (I) Caroline County;
- 22 [(2)] (II) Cecil County;
- 23 [(3)] (III) Dorchester County;
- 24 [(4)] (IV) Kent County;
- 25 [(5)] (V) Queen Anne's County;
- 26 [(6)] (VI) Somerset County;
- 27 [(7)] (VII) Talbot County;

1 [(8)] (VIII) Wicomico County; [and] OR

2 [(9)] (IX) Worcester County.

3 (c) (1) In this subsection, a console or set of affixed slot machines is not
4 an individual slot machine.

5 (2) Notwithstanding any other provision of this subtitle, an eligible
6 organization may own and operate a slot machine if the eligible organization:

7 (i) obtains a license under subsection (e) of this section for each
8 slot machine;

9 (ii) owns each slot machine that the eligible organization
10 operates;

11 (iii) owns not more than five slot machines;

12 (iv) locates and operates its slot machines at its principal
13 meeting hall in the county in which the eligible organization is located;

14 (v) does not locate or operate its slot machines in a private
15 commercial facility;

16 (vi) uses:

17 1. at least one-half of the gross proceeds from its slot
18 machines for the benefit of a charity; and

19 2. the remainder of the proceeds from its slot machines
20 to further the purposes of the eligible organization;

21 (vii) does not use any of the proceeds of the slot machine for the
22 financial benefit of an individual; and

23 (viii) reports annually under affidavit to the State Comptroller:

24 1. the income of each slot machine; and

25 2. the disposition of the income from each slot machine.

26 (d) An eligible organization may not use or operate a slot machine unless:

27 (1) the slot machine is equipped with a tamperproof meter or counter
28 that accurately records gross receipts; and

1 (2) the eligible organization keeps an accurate record of the gross
2 receipts and payoffs of the slot machine.

3 (e) (1) (i) The State Comptroller shall regulate the operation of slot
4 machines under this section.

5 (ii) The State Comptroller may adopt regulations to implement
6 the requirements of this section, including requiring audits of the annual reports
7 submitted to the State Comptroller under subsection (c)(2)(viii) of this section.

8 (2) Before an eligible organization may operate a slot machine under
9 this section, the eligible organization shall obtain a license for the slot machine from
10 the State Comptroller.

11 (3) (i) The State Comptroller shall:

12 1. charge an annual fee for each license for a machine;
13 and

14 2. issue a license sticker to the applicant.

15 (ii) The applicant shall place the sticker on the slot machine.

16 (iii) The State Comptroller shall set the amount of the annual
17 fee so that the total proceeds of the annual fee equal an amount directly related to
18 administrative costs of the State Comptroller to regulate the operation of slot
19 machines under this section.

20 (4) In the application to the State Comptroller for a license, one of the
21 principal officers of the eligible organization shall certify under affidavit that the
22 organization:

23 (i) is an eligible organization; and

24 (ii) will comply with this section.

25 (f) (1) A principal officer of the eligible organization may not intentionally
26 misrepresent a statement of fact on the application.

27 (2) A person who violates this subsection is guilty of perjury and on
28 conviction is subject to the penalty provided under Title 9, Subtitle 1 of this article.

29 (g) The Comptroller may not issue a license for a slot machine to an eligible
30 organization located in Ocean City that is located east of South and North Baltimore
31 Avenues.

1 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
2 October 1, 2012.