

# SENATE BILL 535

C7, L2

(3lr2065)

## ENROLLED BILL

— Budget and Taxation / Ways and Means —

Introduced by **Senators Shank, Edwards, and Young**

Read and Examined by Proofreaders:

\_\_\_\_\_  
Proofreader.

\_\_\_\_\_  
Proofreader.

Sealed with the Great Seal and presented to the Governor, for his approval this

\_\_\_\_\_ day of \_\_\_\_\_ at \_\_\_\_\_ o'clock, \_\_\_\_\_ M.

\_\_\_\_\_  
President.

### CHAPTER \_\_\_\_\_

1 AN ACT concerning

#### 2 **Washington County – Amusement Devices – Tip Jars**

3 FOR the purpose of altering the definition of “amusement device” as it relates to the  
4 operation and regulation of amusement devices in Washington County to  
5 include a game activated by an object or another consideration of value; altering  
6 the definition of “gross profits” as it relates to the operation of tip jars in  
7 Washington County to require the deduction of the cost of a gaming sticker;  
8 repealing a certain limit on the maximum amount a tip jar licensee may retain  
9 from gross profits; and generally relating to the operation and regulation of  
10 amusement devices and tip jars in Washington County.

11 ~~BY repealing and reenacting, with amendments,~~  
12 ~~Article 24 – Political Subdivisions – Miscellaneous Provisions~~  
13 ~~Section 11-202~~  
14 ~~Annotated Code of Maryland~~

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#### EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

Underlining indicates amendments to bill.

~~Strike out~~ indicates matter stricken from the bill by amendment or deleted from the law by amendment.

*Italics indicate opposite chamber / conference committee amendments.*



1 ~~(2011 Replacement Volume and 2012 Supplement)~~

2 BY repealing and reenacting, without amendments,  
 3 Article – Business Regulation  
 4 Section 17–441(a) and 17–442  
 5 Annotated Code of Maryland  
 6 (2010 Replacement Volume and 2012 Supplement)  
 7 (As enacted by Chapter (H.B. 472) of the Acts of the General Assembly of  
 8 2013)

9 BY repealing and reenacting, with amendments,  
 10 Article – Business Regulation  
 11 Section 17–441(b)  
 12 Annotated Code of Maryland  
 13 (2010 Replacement Volume and 2012 Supplement)  
 14 (As enacted by Chapter (H.B. 472) of the Acts of the General Assembly of  
 15 2013)

16 BY repealing and reenacting, with amendments,  
 17 Article – Criminal Law  
 18 Section 13–2435  
 19 Annotated Code of Maryland  
 20 (2012 Replacement Volume and 2012 Supplement)

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

23 ~~**Article 24 – Political Subdivisions – Miscellaneous Provisions**~~

24 ~~11–202.~~

25 ~~(a) (1) In this section, “amusement device” means [billiard];~~

26 ~~(i) BILLIARD tables [and coin-operated games in Washington~~  
 27 ~~County.~~

28 ~~(2) “Coin-operated game” means a]; OR~~

29 ~~(ii) A game activated by coins [or], tokens [including:], OR~~  
 30 ~~OTHER OBJECTS OR CONSIDERATION OF VALUE.~~

31 ~~(2) “AMUSEMENT DEVICE” INCLUDES:~~

32 ~~(i) A video game;~~

33 ~~(ii) An electronic game;~~

- 1                   ~~(iii) A claw machine;~~  
2                   ~~(iv) A bowling game;~~  
3                   ~~(v) A shuffleboard game;~~  
4                   ~~(vi) A pool table;~~  
5                   ~~(vii) A pinball machine;~~  
6                   ~~(viii) A target machine;~~  
7                   ~~(ix) A baseball machine; and~~  
8                   ~~(x) Any other similar device.~~

9                   ~~(3) "Amusement device" does not include a bona fide vending machine~~  
10 ~~in which amusement features are not incorporated.~~

11                   ~~(b) (1) A person, company, partnership, or any other incorporated or~~  
12 ~~unincorporated organization shall be licensed under this section before the person,~~  
13 ~~company, partnership, or any other incorporated or unincorporated organization may~~  
14 ~~operate an amusement device in Washington County.~~

15                   ~~(2) An applicant for an amusement device operator license shall~~  
16 ~~annually:~~

17                   ~~(i) Submit an application to the County Commissioners of~~  
18 ~~Washington County on the form that the County Commissioners require; and~~

19                   ~~(ii) Pay a fee of \$25 annually.~~

20                   ~~(3) The application for an amusement device operator license shall~~  
21 ~~contain:~~

22                   ~~(i) The name of the applicant;~~

23                   ~~(ii) The address of the applicant;~~

24                   ~~(iii) The names and addresses of all locations where amusement~~  
25 ~~machines are to be operated by the applicant; and~~

26                   ~~(iv) Any other information that the County Commissioners~~  
27 ~~require.~~

1           ~~(4) (i) Each amusement device operator license expires on June 30~~  
2 ~~each year and may be renewed each year on or before July 1.~~

3                   ~~(ii) Before the license expires, the licensee periodically may~~  
4 ~~renew it for an additional 1 year term.~~

5           ~~(e) (1) Before a person who keeps, owns, or maintains an amusement~~  
6 ~~device allows the operation of the machine by the public in Washington County, the~~  
7 ~~person shall obtain a permit.~~

8                   ~~(2) An applicant for an amusement device permit shall:~~

9                           ~~(i) Submit an application for each location where the machines~~  
10 ~~are to be operated to the County Commissioners of Washington County on the form~~  
11 ~~that the County Commissioners require; and~~

12                           ~~(ii) Pay a fee of \$100 per machine for each permit.~~

13                   ~~(3) Each amusement device operator permit expires on June 30 each~~  
14 ~~year and may be renewed each year on or before July 1.~~

15           ~~(d) If an amusement device is on display for sale, the County Commissioners~~  
16 ~~may waive any fee otherwise required under this section.~~

17           ~~(e) (1) A person who violates subsection (b) of this section is guilty of a~~  
18 ~~misdemeanor, and on conviction is subject to a fine not exceeding \$5,000 or~~  
19 ~~imprisonment not exceeding 6 months, or both.~~

20                   ~~(2) A person who violates subsection (c) of this section is guilty of a~~  
21 ~~misdemeanor, and on conviction is subject to a fine not exceeding \$500, or~~  
22 ~~imprisonment not exceeding 6 months, or both.~~

23                   ~~(3) Upon conviction, the county may institute proceedings to forfeit~~  
24 ~~any amusement device which was operated in derogation of this section. The Circuit~~  
25 ~~Court of Washington County shall have jurisdiction to hear and determine any such~~  
26 ~~forfeiture proceeding.~~

## 27                                   Article – Business Regulation

28           17-441.

29           (a)   In this part the following words have the meanings indicated.

30           (b)   (1)   “Amusement device” means:

31                   (I)   a billiard table; or

1                               (II) A game activated by coins [or], tokens, OR OTHER OBJECTS  
 2 OR CONSIDERATION OF VALUE.

3                   (2)   “Amusement device” includes:

- 4                               (i)    a video game;  
 5                               (ii)   an electronic game;  
 6                               (iii)  a claw machine;  
 7                               (iv)  a bowling game;  
 8                               (v)   a shuffleboard game;  
 9                               (vi)  a pool table;  
 10                              (vii) a pinball machine;  
 11                              (viii) a target machine;  
 12                              (ix)  a baseball machine; and  
 13                              (x)   any other similar device.

14                   (3)   “Amusement device” does not include a vending machine in which  
 15 amusement features are not incorporated.

16 17-442.

17                   Part V of this subtitle applies only in Washington County.

18   **Article – Criminal Law**

19 13-2435.

20                   (a) In this section, “gross profits” means the total proceeds from the  
 21 operation of a tip jar less:

22                               **(1)    the amount of money winnings or value of prizes distributed; AND**

23                               **(2)    THE COST OF A GAMING STICKER.**

24                   (b) There is a Washington County Gaming Fund.

25                   (c) (1) The county commissioners shall establish:

1 (i) the method and time of deposits to the fund; and

2 (ii) other procedures necessary to carry out subsections (d), (e),  
3 and (f) of this section.

4 (2) In accordance with a written agreement between the county  
5 commissioners and the gaming commission, the gaming commission may use money  
6 from the fund to reimburse the county commissioners for the costs to the county for  
7 administering Part III of this subtitle.

8 (3) (i) The county commissioners may require the Washington  
9 County Volunteer Fire and Rescue Association to submit financial reports of the  
10 Association.

11 (ii) The county commissioners may adopt regulations specifying  
12 the time frames for submission of the reports, but the regulations shall be limited in  
13 scope to the timing of submission of the reports only.

14 (iii) The financial reports of the Washington County Volunteer  
15 Fire and Rescue Association may include an annual budget as approved under  
16 paragraph (4) of this subsection, budget reports, and related documentation that  
17 shows how money has been spent by the Washington County Volunteer Fire and  
18 Rescue Association during the previous fiscal year.

19 (iv) If the financial reports are not submitted within the time  
20 required under the regulations, the county commissioners may withhold funds that  
21 would otherwise be distributed under subsection (f)(1) of this section until the reports  
22 are submitted.

23 (4) (i) Each year the Washington County Volunteer Fire and  
24 Rescue Association shall submit its budget to the county commissioners.

25 (ii) The county commissioners shall accept or reject the budget  
26 by a majority vote.

27 (iii) The acceptance or rejection of the budget may not be  
28 delegated to any designee.

29 (iv) The county commissioners may withhold funds that would  
30 otherwise be distributed under subsection (f)(1) of this section until the budget of the  
31 Washington County Volunteer Fire and Rescue Association is accepted by the county  
32 commissioners.

33 (d) (1) This subsection applies only to a person who holds a tip jar license  
34 under § 13–2420(b)(7), (8), or (9) of this subtitle.

1           (2) Subject to paragraph (3) of this subsection, a person subject to this  
2 subsection shall deposit with a financial institution designated by the gaming  
3 commission, to the credit of the fund, the gross profits from each tip jar that the  
4 person operates.

5           (3) To offset the costs of operating a tip jar, a person with a tip jar  
6 license may retain ~~the lesser of \$45 or~~ 50% of the gross profits from each tip jar game.

7           (e) (1) This subsection applies only to a person who holds a tip jar license  
8 under § 13-2420(b)(1) through (6) of this subtitle.

9           (2) A person subject to this subsection shall deposit with a financial  
10 institution designated by the gaming commission, to the credit of the fund, 15% of the  
11 gross profits earned through the operation of tip jars during the 12-month period  
12 ending June 30.

13           (3) If a person fails to contribute the full amount required under  
14 paragraph (2) of this subsection, the person shall deposit the balance required during  
15 the next year.

16           (f) After the reimbursement under subsection (c)(2) of this section, each year  
17 the gaming commission shall distribute:

18           (1) 50% of the money deposited in the fund to the Washington County  
19 Volunteer Fire and Rescue Association; and

20           (2) subject to any restriction that the county commissioners adopt by  
21 regulation, 50% of the money deposited in the fund to bona fide charitable  
22 organizations in the county.

23           (g) The county commissioners may not require that funds distributed under  
24 (f)(1) of this section be used for fire and rescue services for which funds previously  
25 have been appropriated in the county operating budget.

26           SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
27 ~~July~~ October 1, 2013.