

# SENATE BILL 535

C7, L2  
SB 622/12 – B&T

3lr2065  
CF HB 253

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By: **Senators Shank, Edwards, and Young**  
Introduced and read first time: January 31, 2013  
Assigned to: Budget and Taxation

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## A BILL ENTITLED

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; and  
8 generally relating to the operation and regulation of amusement devices and tip  
9 jars in Washington County.

10 BY repealing and reenacting, with amendments,  
11 Article 24 – Political Subdivisions – Miscellaneous Provisions  
12 Section 11–202  
13 Annotated Code of Maryland  
14 (2011 Replacement Volume and 2012 Supplement)

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

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

22 **Article 24 – Political Subdivisions – Miscellaneous Provisions**

23 11–202.

24 (a) (1) In this section, “amusement device” means [billiard]:

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EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.  
[Brackets] indicate matter deleted from existing law.



1                   **(I) BILLIARD** tables [and coin-operated games in Washington  
2 County.

3                   (2) “Coin-operated game” means a]; **OR**

4                   **(II) A** game activated by coins [or], tokens [including:], **OR**  
5 **OTHER OBJECTS OR CONSIDERATION OF VALUE.**

6                   **(2) “AMUSEMENT DEVICE” INCLUDES:**

7                   (i) A video game;

8                   (ii) An electronic game;

9                   (iii) A claw machine;

10                  (iv) A bowling game;

11                  (v) A shuffleboard game;

12                  (vi) A pool table;

13                  (vii) A pinball machine;

14                  (viii) A target machine;

15                  (ix) A baseball machine; and

16                  (x) Any other similar device.

17                  (3) “Amusement device” does not include a bona fide vending machine  
18 in which amusement features are not incorporated.

19                  (b) (1) A person, company, partnership, or any other incorporated or  
20 unincorporated organization shall be licensed under this section before the person,  
21 company, partnership, or any other incorporated or unincorporated organization may  
22 operate an amusement device in Washington County.

23                  (2) An applicant for an amusement device operator license shall  
24 annually:

25                  (i) Submit an application to the County Commissioners of  
26 Washington County on the form that the County Commissioners require; and

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

1                   (3)    The application for an amusement device operator license shall  
2 contain:

3                   (i)    The name of the applicant;

4                   (ii)   The address of the applicant;

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

7                   (iv)   Any other information that the County Commissioners  
8 require.

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

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

13                   (c)    (1)    Before a person who keeps, owns, or maintains an amusement  
14 device allows the operation of the machine by the public in Washington County, the  
15 person shall obtain a permit.

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

17                                       (i)    Submit an application for each location where the machines  
18 are to be operated to the County Commissioners of Washington County on the form  
19 that the County Commissioners require; and

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

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

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

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

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

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

5   **Article – Criminal Law**

6 13–2435.

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

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

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

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

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

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

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

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

20                     (3)   (i)   The county commissioners may require the Washington  
21 County Volunteer Fire and Rescue Association to submit financial reports of the  
22 Association.

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

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

31   (iv)   If the financial reports are not submitted within the time  
32 required under the regulations, the county commissioners may withhold funds that

1 would otherwise be distributed under subsection (f)(1) of this section until the reports  
2 are submitted.

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

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

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

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

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

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

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

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

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

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

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

32 (1) 50% of the money deposited in the fund to the Washington County  
33 Volunteer Fire and Rescue Association; and

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

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

7                   SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
8 July 1, 2013.