

HOUSE BILL 978

C7
HB 1083/13 – W&M

4lr0655

By: **Prince George's County Delegation**
Introduced and read first time: February 6, 2014
Assigned to: Ways and Means

A BILL ENTITLED

AN ACT concerning

Prince George's County – Gaming – Charity Chips

PG 307–14

FOR the purpose of authorizing certain volunteer fire departments and certain organizations that promote the arts and preserve the culture in Prince George's County to hold events in which the public may play poker card games; limiting the number of poker events that may be held; requiring that a permit be obtained from the Prince George's County Department of Environmental Resources before a poker event may be held; specifying certain requirements that an applicant must meet to qualify for a permit; specifying the contents of an application for a permit; authorizing the County Department to request from the Criminal Justice Information System Central Repository of the Department of Public Safety and Correctional Services a State and national criminal history records check for individuals who are to participate in the management or operation of a poker event; specifying certain items that are to be part of the application; requiring the Central Repository to forward criminal history record information to certain persons; specifying how criminal history record information may be used; allowing certain individuals to work as volunteers at a poker event; specifying grounds for the denial of an application for a permit or the suspension or denial of a permit; requiring that a certain worker have government-issued photographic identification; allowing certain individuals to prepare quarterly and annual financial reports; requiring a permit holder to maintain a certain bank account for a certain purpose; requiring that certain documents be maintained for a certain number of years; requiring a permit holder to file certain reports with the County Department; providing a certain fee to be charged for failure to meet a certain filing deadline; requiring the president of the permit holder to be responsible for filing certain reports under certain circumstances; specifying the purposes for which proceeds from a poker event may be used; prohibiting proceeds to be used for certain purposes; requiring a permit holder to maintain details of use of proceeds disbursements

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



for at least a certain number of years; specifying that the County Department may issue permits under certain circumstances; specifying the period for which a permit is valid; allowing a permit to be renewed under certain circumstances; requiring the County Department to adopt certain regulations; defining certain terms; and generally relating to poker events in Prince George's County.

BY repealing and reenacting, without amendments,
 Article – Criminal Law
 Section 13–1902(a) and 13–1912(a)
 Annotated Code of Maryland
 (2012 Replacement Volume and 2013 Supplement)

BY repealing and reenacting, with amendments,
 Article – Criminal Law
 Section 13–1912(b)
 Annotated Code of Maryland
 (2012 Replacement Volume and 2013 Supplement)

BY adding to
 Article – Criminal Law
 Section 13–1913
 Annotated Code of Maryland
 (2012 Replacement Volume and 2013 Supplement)

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

Article – Criminal Law

13–1902.

- (a) This subtitle applies only in Prince George's County.

13–1912.

- (a) In this section:

- (1) “casino night” means a benefit performance at which:

- (i) a card game, wheel of chance, or roulette is played; and

(ii) money winnings or tokens redeemable in money are awarded as prizes; but

(2) “casino night” does not include a benefit performance at which the only form of gaming is a wheel of fortune, big wheel, or other wheel of chance.

(b) (1) [This] EXCEPT AS PROVIDED IN § 13-1913 OF THIS SUBTITLE, THIS subtitle and Subtitle 2 of this title do not authorize casino nights in the county.

(2) [A] EXCEPT AS PROVIDED IN § 13-1913 OF THIS SUBTITLE, A person may not conduct a casino night in the county.

13-1913.

(A) (1) IN THIS SECTION THE FOLLOWING WORDS HAVE THE MEANINGS INDICATED.

(2) “DEPARTMENT” MEANS THE PRINCE GEORGE’S COUNTY DEPARTMENT OF ENVIRONMENTAL RESOURCES.

(3) “PERMIT” MEANS A PERMIT TO HOLD A POKER EVENT.

(B) AN ORGANIZATION THAT MEETS THE REQUIREMENTS UNDER THIS SECTION MAY CONDUCT A POKER EVENT:

(1) THAT IS OPEN TO THE PUBLIC; AND

(2) IN WHICH ONLY POKER CARD GAMES ARE PLAYED.

(C) BEFORE CONDUCTING A POKER EVENT, AN ORGANIZATION SHALL OBTAIN A PERMIT FROM THE DEPARTMENT.

(D) TO BE ELIGIBLE FOR A PERMIT TO HOLD A POKER EVENT, AN ORGANIZATION SHALL BE:

(1) AN ORGANIZATION THAT:

(I) PROMOTES THE ARTS AND PRESERVES THE CULTURE;

(II) IS EXEMPT FROM TAXATION UNDER § 501(C)(3) OF THE INTERNAL REVENUE CODE; AND

(III) HAS OPERATED IN THE COUNTY FOR AT LEAST 10 YEARS SINCE THE ORGANIZATION WAS INCORPORATED; OR

(2) A VOLUNTEER FIRE DEPARTMENT THAT HAS OPERATED IN THE COUNTY FOR AT LEAST 10 YEARS SINCE THE VOLUNTEER FIRE DEPARTMENT WAS INCORPORATED.

(E) AN APPLICATION FOR A PERMIT SHALL INCLUDE:

(1) A LIST OF MEMBERS PARTICIPATING IN THE MANAGEMENT OR OPERATION OF THE POKER EVENT;

(2) A COPY OF THE APPLICANT'S MOST RECENT INTERNAL REVENUE SERVICE FORM 990; AND

(3) AN AUTHORIZATION BY AN OFFICIAL OF THE APPLICANT TO ALLOW THE DEPARTMENT TO DETERMINE WHETHER THE APPLICANT HAS BEEN INVESTIGATED OR EXAMINED BY THE INTERNAL REVENUE SERVICE IN CONNECTION WITH CHARITABLE GAMING ACTIVITIES WITHIN 3 YEARS BEFORE THE APPLICATION IS SUBMITTED.

(F) (1) AN APPLICANT FOR A PERMIT SHALL APPLY TO THE CRIMINAL JUSTICE INFORMATION SYSTEM CENTRAL REPOSITORY OF THE DEPARTMENT OF PUBLIC SAFETY AND CORRECTIONAL SERVICES FOR A STATE AND NATIONAL CRIMINAL HISTORY RECORDS CHECK FOR EACH INDIVIDUAL WHO IS TO PARTICIPATE IN THE MANAGEMENT OR OPERATION OF A POKER EVENT.

(2) AS PART OF THE APPLICATION FOR A CRIMINAL HISTORY RECORDS CHECK, THE APPLICANT FOR THE PERMIT SHALL SUBMIT TO THE CENTRAL REPOSITORY:

(I) TWO COMPLETE SETS OF EACH INDIVIDUAL'S LEGIBLE FINGERPRINTS TAKEN ON FORMS APPROVED BY THE DIRECTOR OF THE CENTRAL REPOSITORY AND THE DIRECTOR OF THE FEDERAL BUREAU OF INVESTIGATION;

(II) THE FEE AUTHORIZED UNDER § 10-221(B)(7) OF THE CRIMINAL PROCEDURE ARTICLE FOR ACCESS TO MARYLAND CRIMINAL HISTORY RECORDS; AND

(III) THE MANDATORY PROCESSING FEE REQUIRED BY THE FEDERAL BUREAU OF INVESTIGATION FOR A NATIONAL CRIMINAL HISTORY RECORDS CHECK.

(3) IN ACCORDANCE WITH TITLE 10, SUBTITLE 2 OF THE CRIMINAL PROCEDURE ARTICLE, THE CENTRAL REPOSITORY SHALL FORWARD THE CRIMINAL HISTORY RECORD INFORMATION TO THE APPLICANT FOR THE PERMIT AND TO THE DEPARTMENT.

(4) INFORMATION OBTAINED FROM THE CENTRAL REPOSITORY UNDER THIS SUBSECTION SHALL BE:

(I) CONFIDENTIAL AND MAY NOT BE REDISSEMINATED;
AND

(II) USED ONLY FOR THE GRANTING OF A PERMIT.

(G) AN INDIVIDUAL WHO IS NOT A BONA FIDE MEMBER OF THE QUALIFIED ORGANIZATION THAT HOLDS A POKER EVENT MAY WORK AS A VOLUNTEER IN THE OPERATION OF THE POKER EVENT IF THE INDIVIDUAL IS A MEMBER OF A SIMILAR ORGANIZATION AND IS DIRECTLY SUPERVISED BY A BONA FIDE MEMBER OF THE QUALIFIED ORGANIZATION.

(H) THE DEPARTMENT MAY DENY A PERMIT TO AN APPLICANT OR SUSPEND OR REVOKE A PERMIT IF:

(1) THE APPLICANT OR PERMIT HOLDER VIOLATES A PROVISION OF THIS SECTION, A PROVISION OF THE PRINCE GEORGE'S COUNTY CODE, OR A COUNTY REGULATION REGARDING THE OPERATION, MANAGEMENT, AND CONDUCT OF POKER EVENTS;

(2) THE INTERNAL REVENUE SERVICE REVOKES OR SUSPENDS THE TAX-EXEMPT STATUS OF THE APPLICANT OR PERMIT HOLDER;

(3) THE APPLICANT OR PERMIT HOLDER WILLFULLY AND KNOWINGLY PROVIDES FALSE INFORMATION IN ITS APPLICATION FOR A PERMIT; OR

(4) THE APPLICANT OR PERMIT HOLDER HAS A MEMBER WHO IS TO PARTICIPATE OR PARTICIPATES IN THE MANAGEMENT, OPERATION, OR CONDUCT OF POKER EVENTS AND WHO HAS BEEN CONVICTED OF:

(I) A FELONY; OR

(II) A MISDEMEANOR INVOLVING FRAUD, THEFT, OR OTHER FINANCIAL CRIME WITHIN 5 YEARS BEFORE THE APPLICATION IS SUBMITTED.

(I) A PERMIT HOLDER:

(1) MAY HOLD A POKER EVENT ON FRIDAY OR SATURDAY ONLY;
AND

(2) MAY NOT HOLD MORE THAN ONE POKER EVENT PER MONTH.

(J) WHEN PARTICIPATING IN THE MANAGEMENT, OPERATION, OR CONDUCT OF A POKER EVENT, A WORKER SHALL HAVE IN THE WORKER'S POSSESSION A DRIVER'S LICENSE OR ANOTHER GOVERNMENT-ISSUED PHOTOGRAPHIC IDENTIFICATION.

(K) AN INDIVIDUAL WHO IS NOT A MEMBER OF THE ORGANIZATION THAT HOLDS A POKER EVENT OR IS A MEMBER BUT DOES NOT PARTICIPATE IN THE MANAGEMENT, OPERATION, OR CONDUCT OF A POKER EVENT MAY BE PAID A REASONABLE FEE TO PREPARE QUARTERLY AND ANNUAL FINANCIAL REPORTS.

(L) AN INDIVIDUAL WHO PARTICIPATES IN THE MANAGEMENT, OPERATION, OR CONDUCT OF A POKER EVENT MAY NOT PARTICIPATE AS A PLAYER IN A POKER EVENT.

(M) (1) A PERMIT HOLDER SHALL:

(I) MAINTAIN A SEPARATE POKER EVENT BANK ACCOUNT;
AND

(II) DEPOSIT ALL RECEIPTS FROM POKER EVENTS INTO THE ACCOUNT.

(2) ALL POKER EVENT BANK ACCOUNTS, INCLUDING MONTHLY BANK STATEMENTS, CANCELED CHECKS, AND RECONCILIATIONS, SHALL BE MAINTAINED FOR 3 YEARS AFTER THE CLOSE OF THE CALENDAR YEAR IN WHICH THEY WERE ISSUED.

(3) ALL RECEIPTS FROM EACH POKER EVENT SHALL BE DEPOSITED BY THE SECOND BUSINESS DAY FOLLOWING EACH EVENT.

(N) (1) EACH PERMIT HOLDER SHALL FILE WITH THE DEPARTMENT AN ANNUAL REPORT OF RECEIPTS AND DISBURSEMENTS BY MARCH 15.

(2) THE REPORT SHALL COVER THE ACTIVITY OCCURRING DURING THE PREVIOUS CALENDAR YEAR.

(O) A PERMIT HOLDER REALIZING GROSS GAMING RECEIPTS IN A CALENDAR QUARTER SHALL FILE A QUARTERLY REPORT OF RECEIPTS AND DISBURSEMENTS TO THE DEPARTMENT AS FOLLOWS:

- (1) FOR THE QUARTER ENDING MARCH 31, BY JUNE 1;
- (2) FOR THE QUARTER ENDING JUNE 30, BY SEPTEMBER 1;
- (3) FOR THE QUARTER ENDING SEPTEMBER 30, BY DECEMBER 1;

AND

- (4) FOR THE QUARTER ENDING DECEMBER 31, BY MARCH 1.

(P) AN ANNUAL FINANCIAL REPORT MAY BE SUBSTITUTED FOR A QUARTERLY REPORT IF THE PERMIT HOLDER HAS NO FURTHER POKER EVENT INCOME DURING THE REMAINDER OF THE REPORTING PERIOD AND THE ANNUAL REPORT IS FILED BY THE DUE DATE FOR THE APPLICABLE CALENDAR YEAR.

(Q) A PERMIT HOLDER THAT FAILS TO FILE A REQUIRED REPORT AND IS NOT GRANTED AN EXTENSION SHALL BE CHARGED \$25 PER DAY FROM THE DUE DATE UNTIL THE REQUIRED REPORT IS FILED.

(R) (1) A PERMIT HOLDER IN POSSESSION OF FUNDS DERIVED FROM POKER EVENTS, REGARDLESS OF WHEN THE FUNDS MAY HAVE BEEN RECEIVED OR WHETHER THE PERMIT HOLDER HAS A VALID PERMIT FROM THE DEPARTMENT, SHALL FILE AN ANNUAL FINANCIAL REPORT ON OR BEFORE MARCH 15 OF EACH YEAR UNTIL THE FUNDS ARE DEPLETED.

(2) A PERMIT HOLDER THAT CEASES TO HOLD POKER EVENTS SHALL PROVIDE THE DEPARTMENT THE NAME OF AN INDIVIDUAL WHO IS RESPONSIBLE FOR FILING FINANCIAL REPORTS.

(3) IF THE NAME OF THE INDIVIDUAL UNDER PARAGRAPH (2) OF THIS SUBSECTION IS NOT PROVIDED, THE PRESIDENT OF THE PERMIT HOLDER SHALL BE RESPONSIBLE FOR FILING REPORTS UNTIL ALL POKER EVENT PROCEEDS ARE DEPLETED.

(S) (1) ALL PAYMENTS BY A PERMIT HOLDER INTENDED AS USE OF PROCEEDS SHALL BE MADE BY CHECK WRITTEN FROM THE PERMIT HOLDER'S POKER EVENT ACCOUNT.

(2) PROCEEDS FROM A POKER EVENT MAY BE USED FOR SCHOLARSHIP FUNDS OR THE FUTURE ACQUISITION, CONSTRUCTION, REMODELING, OR IMPROVEMENT OF REAL PROPERTY OR THE ACQUISITION OF EQUIPMENT OR VEHICLES TO BE USED TO ADVANCE THE PRIMARY PURPOSE OF THE PERMIT HOLDER HOLDING THE POKER EVENT.

(3) PROCEEDS FROM A POKER EVENT MAY NOT BE USED FOR SOCIAL OR RECREATIONAL ACTIVITIES OR FOR EVENTS, ACTIVITIES, OR PROGRAMS THAT ARE PRIMARILY FOR THE MEMBERS OF THE PERMIT HOLDER HOLDING THE POKER EVENT AND THEIR FAMILIES, UNLESS THE PERMIT HOLDER DEMONSTRATES TO THE DEPARTMENT THAT THE USE OF THE PROCEEDS WILL RESULT IN SUBSTANTIAL BENEFIT TO THE COMMUNITY WHERE THE PERMIT HOLDER IS LOCATED.

(4) PAYMENTS MADE TO OR ON BEHALF OF INDIGENT OR SICK OR DECEASED MEMBERS OF THE PERMIT HOLDER OR THEIR IMMEDIATE FAMILIES SHALL BE ALLOWED PROVIDED THEY ARE APPROVED BY THE PERMIT HOLDER'S BOARD OF DIRECTORS AND THE NEED IS DOCUMENTED.

(5) A PERMIT HOLDER SHALL MAINTAIN DETAILS OF ALL USE OF PROCEEDS DISBURSEMENTS FOR AT LEAST 3 YEARS AND SHALL MAKE THIS INFORMATION AVAILABLE TO THE DEPARTMENT ON REQUEST.

(T) (1) SUBJECT TO PARAGRAPH (2) OF THIS SUBSECTION, THE DEPARTMENT ON OR AFTER JULY 15, 2014, MAY ISSUE PERMITS FOR THE HOLDING OF POKER EVENTS.

(2) THE DEPARTMENT MAY NOT ISSUE A PERMIT IF THE ISSUANCE WOULD CAUSE THE NUMBER OF ACTIVE PERMITS AT ANY TIME TO EXCEED 30.

(3) IF THE DEPARTMENT RECEIVES MORE APPLICATIONS THAN AVAILABLE PERMITS, THE DEPARTMENT SHALL HOLD A LOTTERY TO SELECT THE PERMIT RECIPIENTS.

(U) A PERMIT:

(1) IS VALID FOR 6 MONTHS AFTER IT IS ISSUED; AND

(2) MAY BE RENEWED, UNLESS THE PERMIT HOLDER FAILS TO COMPLY WITH COUNTY LAW.

(V) THE DEPARTMENT SHALL ADOPT REGULATIONS TO CARRY OUT THIS SECTION.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2014.