

HOUSE BILL 322

C7
SB 195/14 – B&T

5lr1343

By: **Harford County Delegation**
Introduced and read first time: February 5, 2015
Assigned to: Ways and Means

Committee Report: Favorable with amendments
House action: Adopted
Read second time: April 4, 2015

CHAPTER _____

1 AN ACT concerning

2 **Harford County – Charitable Gaming**

3 FOR the purpose of creating in Harford County a permit to be issued by the Sheriff of
4 Harford County that authorizes certain nonprofit organizations to conduct a gaming
5 contest in Harford County; specifying certain requirements that organizations must
6 meet to be issued a permit; specifying a certain maximum number of gaming contests
7 an organization may hold in a year and the location and hours for conducting a
8 gaming contest; authorizing certain games to be conducted at a gaming contest under
9 certain circumstances; ~~specifying the maximum bet a single individual may place on~~
10 ~~a game~~ authorizing a permit holder under this Act to charge only a preset entrance
11 fee; requiring participants in a gaming contest to use tokens and not cash for
12 wagering under certain circumstances; prohibiting a permit holder from exchanging
13 tokens under certain circumstances; requiring an individual who participates in or
14 helps operate a gaming contest to be of a certain age; specifying that alcoholic
15 beverages may be served or sold under certain conditions; prohibiting profits or
16 proceeds from being paid to certain persons under certain circumstances;
17 ~~authorizing~~ requiring certain organizations to use certain proceeds for certain
18 purposes after certain costs are deducted; requiring the holder of a permit to meet
19 certain financial and informational reporting requirements; authorizing the sheriff
20 to refuse to issue a permit under certain conditions; requiring the sheriff to adopt
21 certain regulations; providing a certain penalty; defining a certain term; and
22 generally relating to gaming contests in Harford County.

23 BY renumbering
24 Article – Criminal Law

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.



1 Section 13–1512
2 to be Section 13–1513
3 Annotated Code of Maryland
4 (2012 Replacement Volume and 2014 Supplement)

5 BY adding to
6 Article – Criminal Law
7 Section 13–1512
8 Annotated Code of Maryland
9 (2012 Replacement Volume and 2014 Supplement)

10 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,
11 That Section(s) 13–1512 of Article – Criminal Law of the Annotated Code of Maryland be
12 renumbered to be Section(s) 13–1513.

13 SECTION 2. AND BE IT FURTHER ENACTED, That the Laws of Maryland read
14 as follows:

15 **Article – Criminal Law**

16 **13–1512.**

17 **(A) IN THIS SECTION, “GAMING CONTEST” MEANS AN EVENT THAT**
18 **INVOLVES A CARD GAME, A DICE GAME, OR ROULETTE.**

19 **(B) AN ORGANIZATION SHALL BE ISSUED A PERMIT FROM THE SHERIFF OF**
20 **HARFORD COUNTY BEFORE THE ORGANIZATION MAY CONDUCT A GAMING CONTEST**
21 **IN HARFORD COUNTY.**

22 **(C) AN ORGANIZATION IS ELIGIBLE TO BE ISSUED A PERMIT IF THE**
23 **ORGANIZATION QUALIFIES AS A NONPROFIT ORGANIZATION UNDER § 501(C)(3) OR**
24 **(19) OF THE INTERNAL REVENUE CODE AND HAS BEEN LOCATED IN THE COUNTY**
25 **FOR AT LEAST 3 YEARS BEFORE APPLYING FOR THE PERMIT.**

26 **(D) TO BE ISSUED A PERMIT, AN ORGANIZATION SHALL:**

27 **(1) SUBMIT AN APPLICATION TO THE SHERIFF ON A FORM THAT THE**
28 **SHERIFF REQUIRES;**

29 **(2) STATE ON THE APPLICATION FORM THE PURPOSE FOR WHICH THE**
30 **PROCEEDS OF THE GAMING CONTEST WILL BE USED; AND**

31 **(3) PAY THE PERMIT FEE THAT THE SHERIFF DETERMINES.**

1 (E) (1) (I) A HOLDER OF A PERMIT MAY NOT CONDUCT MORE THAN
2 FOUR GAMING CONTESTS IN A CALENDAR YEAR.

3 (II) A PERMIT IS NOT TRANSFERABLE.

4 (2) A GAMING CONTEST MAY BE HELD ONLY:

5 (I) BETWEEN 4 P.M. AND 1 A.M. THE FOLLOWING DAY; AND

6 (II) IN A STRUCTURE OR AT A LOCATION THAT IS OWNED,
7 RENTED, OR LEASED BY THE HOLDER OF THE PERMIT.

8 (3) A SEPARATE PERMIT IS REQUIRED FOR EACH GAMING CONTEST.

9 (4) (I) SUBJECT TO SUBPARAGRAPH (II) OF THIS PARAGRAPH,
10 BINGO, INSTANT BINGO, A RAFFLE, A PADDLE WHEEL, OR A 50/50 RAFFLE MAY BE
11 INCLUDED IN THE GAMES CONDUCTED AT A GAMING CONTEST.

12 (II) A GAMING CONTEST MAY NOT CONSIST EXCLUSIVELY OF A
13 GAME SPECIFIED IN SUBPARAGRAPH (I) OF THIS PARAGRAPH.

14 (F) (1) ~~THE MAXIMUM BET A SINGLE INDIVIDUAL MAY PLACE ON ANY~~
15 ~~GAME CONDUCTED DURING A GAMING CONTEST IS \$10~~ AN ORGANIZATION THAT IS
16 THE PERMIT HOLDER MAY CHARGE ONLY A PRESET ENTRANCE FEE FOR A GAMING
17 CONTEST.

18 (2) PARTICIPANTS IN A GAMING CONTEST SHALL RECEIVE TOKENS
19 FOR WAGERING IN EXCHANGE FOR THE ENTRANCE FEE.

20 (3) A PARTICIPANT MAY PURCHASE ADDITIONAL TOKENS, AT A TOTAL
21 COST NOT EXCEEDING 100% OF THE ENTRANCE FEE, DURING A GAMING CONTEST.

22 (4) AN ORGANIZATION THAT IS THE PERMIT HOLDER MAY NOT ALLOW
23 CASH TO BE USED FOR WAGERING.

24 ~~(2)~~ (5) A HOLDER OF A PERMIT MAY SERVE OR SELL ALCOHOLIC
25 BEVERAGES AT A GAMING CONTEST ONLY IF THE HOLDER IS ISSUED THE PROPER
26 LICENSE BY THE HARFORD COUNTY LIQUOR CONTROL BOARD.

27 ~~(3) THE HOLDER OF A PERMIT MAY AWARD PRIZES OF MONEY OR~~
28 ~~MERCHANDISE.~~

29 (G) AN ORGANIZATION THAT IS THE PERMIT HOLDER MAY NOT EXCHANGE
30 TOKENS USED FOR WAGERING FOR:

1 **(1) AN ITEM OF MERCHANDISE THAT IS WORTH MORE THAN \$10,000;**

2 **(2) MONEY; OR**

3 **(3) AN ITEM OF MERCHANDISE HAVING A VALUE THAT IS DIFFERENT**
4 **FROM THE FAIR MARKET RETAIL VALUE OF THE ITEM OF MERCHANDISE THAT WAS**
5 **RECEIVED FOR THE TOKENS.**

6 ~~(G)~~ **(H)** AN ORGANIZATION MAY RENT OR PURCHASE NECESSARY
7 EQUIPMENT AND SUPPLIES TO CONDUCT A GAMING CONTEST BUT MAY NOT ENTER
8 INTO A LEASE OR OTHER AGREEMENT TO SHARE PROFITS FROM THE GAMING
9 CONTEST.

10 ~~(H)~~ **(I)** (1) A GAMING CONTEST SHALL BE MANAGED AND OPERATED
11 PERSONALLY BY MEMBERS OF THE ORGANIZATION CONDUCTING THE GAMING
12 CONTEST ~~WITHOUT THE ASSISTANCE OF ANY OUTSIDE WORKER, INCLUDING A PAID~~
13 ~~OR PROFESSIONAL CASINO OPERATOR, MANAGER, OR SUPPLIER OF EQUIPMENT.~~

14 **(2)** A MEMBER OF THE ORGANIZATION MAY NOT RECEIVE OR BE PAID
15 ANY OF THE PROCEEDS FROM THE GAMING CONTEST FOR PERSONAL USE OR
16 BENEFIT.

17 **(3)** A PERSON MAY NOT RECEIVE A SALARY, A COMMISSION, OR
18 COMPENSATION OF ANY KIND FOR MANAGING THE GAMING CONTEST OR OPERATING
19 A GAME PLAYED IN THE GAMING CONTEST.

20 **(4)** A PERSON OTHER THAN THE HOLDER OF THE PERMIT MAY NOT
21 RECEIVE OR BE PAID ANY PROCEEDS.

22 **(5)** TO VOLUNTEER AS AN OPERATOR OF A GAMING CONTEST, AN
23 INDIVIDUAL SHALL BE AT LEAST 18 YEARS OLD.

24 **(6)** TO PARTICIPATE IN A GAMING CONTEST, AN INDIVIDUAL SHALL
25 BE AT LEAST 21 YEARS OLD.

26 ~~(I)~~ **(J)** AFTER COSTS INCURRED IN CONDUCTING A GAMING CONTEST ARE
27 DEDUCTED, PROCEEDS FROM A GAMING CONTEST ~~MAY BE USED ONLY FOR THE~~
28 ~~PURPOSES OF THE ORGANIZATION~~ SHALL BE USED TO BENEFIT A CHARITY OR TO
29 FURTHER THE PURPOSE OF THE ORGANIZATION.

30 ~~(J)~~ **(K)** (1) WITHIN 30 DAYS AFTER A GAMING CONTEST, THE HOLDER
31 OF THE PERMIT SHALL SUBMIT TO THE SHERIFF A FINANCIAL REPORT THAT LISTS
32 ALL OF THE RECEIPTS AND EXPENDITURES FOR THE GAMING CONTEST.

1 **(2) THE REPORT SHALL CONTAIN A FULL ACCOUNTING OF THE**
 2 **PROCEEDS AND EXPENSES OF THE GAMING CONTEST AND THE NAME, ADDRESS, AND**
 3 **SOCIAL SECURITY NUMBER OF A PARTICIPANT THAT IS DECLARED THE WINNER OF**
 4 **A GAMING CONTEST REQUIRING THE ISSUANCE OF INTERNAL REVENUE SERVICE**
 5 **FORM W-2G OR A SUBSTANTIALLY EQUIVALENT FORM.**

6 **(3) THE SHERIFF OR THE OFFICE OF THE HARFORD COUNTY STATE'S**
 7 **ATTORNEY MAY REQUIRE THE HOLDER OF THE PERMIT TO PRODUCE ALL**
 8 **FINANCIAL RECORDS OF THE GAMING CONTEST.**

9 **(4) THE HOLDER OF THE PERMIT SHALL KEEP ALL FINANCIAL**
 10 **RECORDS OF THE GAMING CONTEST FOR AT LEAST 2 YEARS AFTER THE GAMING**
 11 **CONTEST.**

12 **(5) THE SHERIFF MAY REFUSE TO ISSUE A PERMIT TO AN APPLICANT**
 13 **WHO HAS FAILED TO FILE A REQUIRED REPORT FROM A PREVIOUS GAMING CONTEST**
 14 **OR IS LATE IN FILING FEDERAL OR STATE TAX RETURNS.**

15 **(6) IF REQUESTED BY THE SHERIFF, THE HOLDER OF THE PERMIT**
 16 **SHALL PAY ALL FINANCIAL AUDIT COSTS.**

17 ~~(K)~~ **(L) THE SHERIFF SHALL ADOPT REGULATIONS TO CARRY OUT THIS**
 18 **SECTION.**

19 ~~(L)~~ **(M) A PERSON WHO VIOLATES THIS SECTION IS GUILTY OF A**
 20 **MISDEMEANOR AND ON CONVICTION IS SUBJECT TO IMPRISONMENT NOT**
 21 **EXCEEDING 1 YEAR OR A FINE NOT EXCEEDING \$1,000 OR BOTH** **AN ORGANIZATION**
 22 **THAT IS FOUND TO HAVE VIOLATED THIS SECTION IS INELIGIBLE TO RECEIVE A**
 23 **PERMIT UNDER THIS SECTION FOR A PERIOD OF 5 YEARS.**

24 SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect July
 25 1, 2015.

Approved:

Governor.

Speaker of the House of Delegates.

President of the Senate.